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COMMISSION ON ORGANIZATION OF THE  
EXECUTIVE BRANCH OF THE GOVERNMENT

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TASK FORCE REPORT  
ON  
INTELLIGENCE ACTIVITIES

MAY 1955

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Clark Rpt

TS #164327

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9 JUN 1977

MEMORANDUM FOR: Chief, Executive Registry

FROM

[redacted]  
Chief, Information and Privacy Staff

SUBJECT : Transmittal of Sanitized Copies of  
Intelligence Community Studies

1. Per your telecon of 8 June with [redacted] of this Staff, we are transmitting for your retention the sanitized copies received from the National Security Council of four intelligence community studies [redacted] STATINTL

2. The four studies are as follows:

a. W.H. Jackson, President's Committee on International Information Activities, Report to the President, 30 June 1953.

b. J.H. Doolittle, Report on the Covert Activities of the Central Intelligence Agency, 30 Sept. 1954.

c. Mark Clark, Commission on the Organization of the Executive Branch of the Government. Task Force Report on Intelligence Activities, May 1955.

d. M.D. Sprague, President's Committee on International Activities Abroad, Conclusions and Recommendations, Dec. 1960.

3. It is believed that it will be more useful to lodge these documents with your record and reference set of such reports than with our case files in the Records Center.

Enclosures: As noted

[redacted] STAT  
*Clarke Comm. Report*  
*ER Report #14.E*

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Cops of this report given  
to OLC for Senate  
Select Comm on Intel  
use - in response to

ER 76 - 8770  
13 Aug 76



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Report on  
INTELLIGENCE ACTIVITIES

in the  
FEDERAL GOVERNMENT

Prepared for the  
COMMISSION ON ORGANIZATION OF THE  
EXECUTIVE BRANCH OF THE GOVERNMENT

by the  
TASK FORCE ON INTELLIGENCE ACTIVITIES

MAY 1955

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LETTER OF SUBMISSION

COMMISSION ON ORGANIZATION OF THE EXECUTIVE BRANCH OF  
THE GOVERNMENT

Washington, D.C.

May 1955

The Honorable Herbert Hoover,  
Chairman, Commission on Organization of the  
Executive Branch of the Government,  
Washington 25, D. C.

My dear Mr. Hoover:

We have the honor to present to you the reports of the Task Force on Intelligence Activities of our Government. In these reports, the task force analyzes the national intelligence effort and makes recommendations with a view to correcting the weaknesses, improving the quality, and increasing the efficiency of this vital operation.

The aggressiveness of the Soviet bloc, their methods of infiltration, subversive activities, and propaganda employed in the cold war now in progress, as well as the difficulty of penetration of their security barriers, point up the fact that our intelligence effort must be the best in our history. This, added to the advent of nuclear weapons, together with their advanced delivery systems, has made adequate and timely intelligence imperative to our national security. The task force is fully aware of the grave responsibility implicit in its assigned mission.

In carrying out this mission, the task force was severely hampered by the security restrictions imposed upon it in its survey of the clandestine operations of the Central Intelligence Agency. While the necessity for carefully safeguarding sensitive material is well recognized, the fact remains that the restrictions complicated the

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conduct of the survey of this vital segment of our national intelligence community. In future surveys, the legal restrictions should be waived and no limitations placed on the members of the task force or its staff.

Security requirements have made it necessary that the task force depart in some degree from the form of the report prescribed by the Commission. Two reports are submitted: one, unclassified; the other, classified TOP SECRET, with two appendices. Each appendix requires a special clearance over and above that required for access to the TOP SECRET report.

It is to be noted that in the TOP SECRET report there is some duplication in the subject matter between sections of the report. This duplication is deliberate, in order to facilitate the distribution of certain sections to various departments and agencies to which they apply.

In submitting these reports, we wish to express our personal appreciation for the wholehearted and enthusiastic cooperation given us by the departments and agencies surveyed.

Respectfully submitted,

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Mark W. Clark, Chairman

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Richard L. Conolly, Member

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Ernest F. Hollings, Member

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Henry Kearns, Member

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Edward V. Rickenbacker, Member

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PREFACE

SCOPE OF THE STUDY

"Intelligence" - A Definition

The fate of the nation well may rest on accurate and complete intelligence data which may serve as a trustworthy guide for top-level governmental decisions on policy and action in a troubled world where so many forces and ideologies work at cross purposes.

The Congress has recognized the importance of the role of intelligence in our national security. It has authorized the expenditure of vast sums of money by appropriate departments and agencies to carry on this work.

Immediately after World War II, at the suggestion of the Chief Executive of our Government, the Congress approved the creation of a new agency unique and in many ways strange to our democratic form of government. It is known as the Central Intelligence Agency (CIA).

The CIA operates without the customary legislative restraints and reins under which other departments must function. Its work is veiled in secrecy, and it is virtually a law unto itself.

In order to evaluate the extent and effectiveness of intelligence as carried out under these conditions, the Task Force on Intelligence Activities found that it was confronted at the outset with the problem of arriving at a common understanding and agreement on the meaning of the word "intelligence," as applied to its own areas of work and investigation.

The word has many definitions and is subject to varying shades of interpretation and meaning. In a certain context it might refer to "ability to learn"; in another context, "intellect," or perhaps "ability to meet a new situation"; and in yet another sense, "common sense."

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In the search for an acceptable definition as applied to our own field of study, it was found that each department or agency surveyed had its own definition. Many of these definitions were lengthy, and involved use of words requiring additional interpretation or delimitation to get at their precise application.

The task force sought a definition as simple and clear as possible and arrived at the following:

"Intelligence deals with all the things which should be known in advance of initiating a course of action."

Useful for our purposes, also, as a supplemental and expanded definition is that given in the Dictionary of United States Military Terms for Joint Usage:

"INTELLIGENCE - The product resulting from the collection, evaluation, analysis, integration, and interpretation of all available information which concerns one or more aspects of foreign nations or of areas of operations, and which is immediately or potentially significant to planning."

#### Scope of Task Force Study Refined

Initially, this task force was instructed by the Commission on Organization of the Executive Branch of the Government, hereinafter referred to as the Commission or the Hoover Commission, to study and make recommendations as to the structure and administration of the Central Intelligence Agency and other kindred intelligence activities.

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Later, those instructions were changed by the Commission to embrace studies of all intelligence activities of the Federal Government and to submit recommendations to effect changes considered necessary to promote economy, efficiency, and improved service in this field.

The task force gave thorough consideration to the decision of the Commission to broaden the scope of the task-force studies to include all intelligence activities of the Federal Government. It developed that there are at least twelve major departments and agencies which, in one manner or another, are engaged in intelligence. Among these are the Department of State, the Department of Defense (including the Army, Navy, Air Force, and Joint Chiefs of Staff), the Central Intelligence Agency, the Atomic Energy Commission, the Department of Commerce, and the Department of Agriculture. In addition, there are ten or more minor agencies or activities which expend public funds directly or indirectly on behalf of the intelligence effort of the Government.

Thus, under the broad definition of its terms of reference, the task force was confronted with the Herculean job of studying and reporting on more than twenty major and minor departments and agencies. It readily became apparent that any attempt to spread the efforts of the task force over such a large area would mean either that only minor results could be expected within the allotted time or the work period should be extended beyond the date contemplated for dissolution of the

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Commission on May 31, 1955. Therefore, it was apparent that the scope of the task-force work had to be refined if any useful results were to be derived from its efforts and expenditure of funds.

Positive Foreign Intelligence Vital

The most pressing need under present conditions is for those officials in responsible positions in Government, especially those responsible for foreign policy, to have readily available full and factual foreign intelligence. The word "foreign" as used here denotes the target of information as distinct from the geographical source.

Thus, it appeared to the task force that within the given time limit the best interests of the Government would be served if the task force directed its attention to the departments and agencies whose entire or primary responsibilities lie in the field of positive foreign intelligence as it pertains to national defense and security, and in whose care vast sums of money and unique authority have been entrusted. These are the Department of State, the Department of Defense, the Central Intelligence Agency, the National Security Council, the Federal Bureau of Investigation (to the extent that it deals in security intelligence), and the intelligence activities of the Atomic Energy Commission.

Directive to the Task Force

Accordingly, a proposal to delimit the scope of the task-force studies was made to and approved by the Commission, as follows:

1. Survey the work of the Central Intelligence Agency.

Cover all activities of CIA, wherever located, including but not limited to collection, evaluation, and dissemination of

intelligence, obligation and expenditure of funds, examination  
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of auditing of funds, security, personnel, projects carried out through other agencies, relationship and coordination with other governmental intelligence agencies, communications, supply and storage; a determination of the responsibilities of the agency, as prescribed by legislative enactment or administrative action, and a study as to whether the responsibilities have been adequately defined and are being implemented.

2. Survey the intelligence activities of the Department of Defense. Cover all intelligence activities, wherever located, of the Department of Defense, Joint Chiefs of Staff, National Security Agency, Army, Navy, and Air Force, including, but not limited to, collection, evaluation, and dissemination of intelligence, obligation and expenditure of funds, security, personnel, projects carried out through other agencies, communications, relationship and coordination with other governmental intelligence agencies, supply and storage; a determination of the responsibilities of the Department and all its elements for intelligence, as prescribed by legislative enactment or administrative action, and a study as to whether the responsibilities have been adequately defined and are being implemented. No survey will be made of the organization or organizational structure of tactical units in the Army, Navy, and Air Force engaged primarily in producing tactical or combat intelligence.



3. Survey the intelligence activities of the Department of State. Cover all intelligence activities related to national defense, wherever located, of the Department of State, including, but not limited to, collection, evaluation, and dissemination of intelligence, obligation and expenditure of funds, security, personnel, projects carried out through other agencies, communications, relationship and coordination with other governmental intelligence agencies, and supply; a determination of the responsibilities of the Department for intelligence, as prescribed by legislative enactment or administrative action, and a study as to whether the responsibilities have been adequately defined and are being implemented.

4. Survey the intelligence activities of the National Security Council. Include a study of the history, legislation, development, organization, and operations of the National Security Council as they affect intelligence activities. Include study of the Operations Coordinating Board, the Intelligence Advisory Committee, and related activities.

5. Survey limited segments of the intelligence activities of other agencies. The segments to be studied would be developed as the task force gathers information.

6. General Considerations. Determine which of the intelligence services, activities, and functions performed by any of the agencies surveyed are (a) essential; (b) not necessary; (c) of similar nature, and what consolidations are in the public interest; (d) non-essential, and which are

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competitive with private enterprise; and (e) duplicate or overlap those of other agencies.

This requires a determination in the basic surveys outlined in paragraphs 1 to 5 as to what services, activities, and functions are being performed by each agency studied. Upon completion of the basic surveys, a functional survey of the work done by the agencies would be undertaken from the data developed. With such a scope, the task force would cover, among other things:

- (1) The intelligence function of the National Security Council.
- (2) The value and effectiveness of the information supplied by the operating agencies.
- (3) The effectiveness of the coordination of intelligence activities.
- (4) The organization, procedures, methods, and performance of the several Government agencies in the field of overt and covert intelligence.
- (5) An examination of the operation and physical plant of the agencies as to economy, adequacy, effect on efficiency, and utilization.
- (6) The various programs of the several agencies in such fields as training, research and development, stockpiling, reference material, and security.
- (7) The personnel policies and manpower utilization.

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(8) All programs and procedures for the collection, development, and dissemination of information to include collection apparatus and dissemination media.

(9) The interrelationship between the several areas thus assigned and actual areas of coverage, mutual support of one another.

In the execution of this extensive undertaking, the task force, in certain areas, had to employ the "sampling" method, particularly in the case of the study of those activities of the agencies overseas.

Sensitive Portions of Agencies Surveyed

In giving its approval of the foregoing proposal, the Commission directed that a first paragraph be added, as follows:

"1. The study and survey of the sensitive portions of the agencies will be undertaken by General Clark with a minimum staff on a 'need-to-know' basis."

Pursuant to the foregoing directive, arrangements were made orally between Mr. Allen Dulles, Director of the Central Intelligence Agency, and General Mark W. Clark, chairman of the Task Force on Intelligence Activities, initially for General Clark and Colonel Herman O. Lane, a member of the task-force staff, to have access to CIA activities, both overt and covert. Shortly after this arrangement was implemented, it developed that a requirement existed for at least one additional member of the task force to have access to covert activities of the agency. Accordingly, Admiral Richard L. Conolly's name was added to the list.

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This arrangement continued until a decision was made that certain members of the task force and staff should inspect intelligence activities in the European and Far East areas. Since General Clark was unable to take part in one of these inspection trips, the problem confronting the task force, as a result of the existing restrictions on the clearance of the task force to sensitive material of the agency, was presented to the Director of Central Intelligence. The following quoted letter was received from the director:

CENTRAL INTELLIGENCE AGENCY

Washington 25, D.C.

Office of the Director

27 January 1955

General J.G. Christiansen  
Staff Director  
Task Force on Intelligence Activities  
Commission on Organization of the  
Executive Branch of the Government  
Washington, D.C.

Dear General Christiansen:

With further reference to your letter of 20 January 1955, and our telephone conversations of yesterday evening and today, I have arranged clearance for Mr. Henry Kearns and for you to have access to CIA activities, both overt and covert, in connection with your trip to the Pacific area. It is also understood that all members of the Task Force and you, yourself, will be cleared to consider the report with respect to both overt and covert activities of the CIA which may be submitted by those members of your staff who have been cleared for on-the-spot investigation of those activities. I quite appreciate that this is necessary in connection with the preparation of the Task Force report.

This procedure has been cleared with Governor Adams.

Faithfully yours,

/s/ Allen W. Dulles

Allen W. Dulles

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#### COST OF THE INTELLIGENCE EFFORT

Precise figures on the cost in money and manpower engaged in intelligence activities in the interest of national defense and security are not a matter of record. Any attempt to compile such data accurately would require the expenditure of money out of all proportion to the value of the findings. The task force estimates, however, that the annual expenditure is in the order of

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#### ORGANIZATION OF THE TASK FORCE

##### Security Impact on Selection of Personnel

The Task Force on Intelligence Activities was the last to be authorized by the Hoover Commission. The director and deputy of the staff assumed their duties on October 1, 1954. The limited pool of available personnel in the United States with prior experience in the intelligence field influenced to some extent the structure of the staff and its methods of operation.

Personnel of the Intelligence Task Force and of the staff had to be screened carefully for background security and possible prejudicial interest arising from prior association with departments and agencies under investigation.

Before a member of the task force or staff could have access to any material, a security background investigation was conducted and the individual declared by proper authority to be eligible for access to "Top Secret" information. In each case where the inquiry involved access to atomic energy data, a special clearance was obtained.

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It was found that each department and agency had evolved its criteria, practices, and standards for clearance. The task force adopted a policy in conformity with the policies and requirements of the department or agency involved in each specific investigation.

In the interest of security and economy, the task force also decided to keep its staff as compact as possible. Sensitive material was studied generally on the premises of the agencies.

Staff Organization

After careful consideration by the task force of the possible methods of organizing the staff and its work, it was decided that the most practical course would be to assign some teams composed of one or two staff members to study specific agencies, and to delegate to other teams specific across-the-board survey functions. Individual task force members were assigned across-the-board responsibilities paralleling the work of designated staff teams. Thus, all members would be in a position to interject their influence and guidance in the staff activities and at the same time obtain valuable first-hand knowledge of the overall problem.

Initially, five staff study groups were organized. Some were assigned responsibility for study of a single department; others, where feasible, covered two or more agencies.

The restrictions imposed on the staff in its survey of the Central Intelligence Agency necessitated that the work be broken down into two classifications, with one group studying the covert aspects of CIA, and the other surveying the overt operations of the

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Agency. These two teams carefully coordinated and correlated their studies, except where information on the more sensitive areas of the Agency's work was restricted to designated individuals. This arrangement proved very cumbersome, was time-consuming, and seriously interfered with the conduct of the survey.

As each task group completed the study of a particular department or agency, it was assigned to studies of specific functions common to two or more agencies.

#### Procedures for Gathering Data

The task force scrupulously avoided the use of questionnaires. The statistical matter which appears throughout this report was extracted from documentary files maintained by the departments and agencies.

The task force and staff had the benefit of detailed briefings by each agency studied. These briefings were characterized by informality. Oral questions and answers were the rule rather than the exception. No verbatim transcriptions of the conversations and comments of witnesses were deemed necessary. In some instances, however, copies of the prepared briefings were furnished to the staff for ready reference.

Discussions were had with all echelons of personnel in each department and agency, from the clerk at the working level to and including the Secretary of State, the Secretary and Deputy Secretary of Defense, and the Director of Central Intelligence.

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The task force also had the benefit of expert advice from many individuals who are not in Government employ but who previously occupied positions of prime responsibility in the development of our present intelligence operations and organization. Their help and advice were of inestimable value.

Some of these witnesses appeared before the task force at no expense to the Government and at considerable personal sacrifice. The task force wishes to express its unqualified appreciation to these public-spirited individuals in private life who gave freely of their time, and who by their objective approach to the problem materially enlightened the task force.

Teams Make First-Hand Studies Abroad

In order to obtain a clearer picture of intelligence operations, two teams, each composed of a member or members of the task force and members of the staff, were sent abroad for on-the-spot investigations. One team visited the European sector and the other went to the Far East.

These staff groups had discussions with the senior United States representatives, senior military commanders, and representatives of the Central Intelligence Agency in the countries visited. The visits and discussions afforded the task force first-hand information which could be obtained in no other fashion.

The conclusions reached and the recommendations contained in this report reflect the benefits of those personal tours of inspection.



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RESULTS OF THE RECOMMENDATIONS MADE IN 1948 BY THE FIRST  
HOOVER COMMISSION AS THEY RELATED TO INTELLIGENCE

The first Hoover Commission directed its attention primarily to the functional responsibilities and relationships of the heads of the various departments and agencies established under the National Security Act. The principal recommendation relating directly to intelligence was incorporated in the following general recommendation:

"That more adequate and effective relations be developed at working level among the appropriate committees of the Joint Chiefs of Staff on one hand, and the National Security Council, Central Intelligence Agency, Research and Development Board, Munitions Board, and the National Security Resources Board on the other hand. That vigorous steps be taken to improve the Central Intelligence Agency and its work."

Results

The Reorganization Plan No. 3 of 1953 transferred the functions of the National Security Resources Board and Munitions Board to the Office of Defense Mobilization. The functions of the Research and Development Board were transferred to the Secretary of Defense by Reorganization Plan No. 6 of 1953, where they are incorporated in the functions of the Assistant Secretary for Research and Development. There are apparently no relationships on working levels in the intelligence field between the Joint Chiefs of Staff and the Office of Defense Mobilization, except through the representation of the Secretary of Defense in the National Security Council. As far as the intelligence relations between the Joint Chiefs of Staff and the Central Intelligence Agency on working levels are concerned, they are implicit in the representation of the joint intelligence group of the Joint Staff, Joint Chiefs of Staff, on the Intelligence Advisory Committee.

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The degree of coordination effected through these relationships will be discussed more fully in this report in the section devoted to the Joint Chiefs of Staff. The steps taken subsequent to the publication of the report of the first Hoover Commission to improve the Central Intelligence Agency are discussed in the following paragraphs relating to the recommendations of the task force of the first Hoover Commission.

Observations, Recommendations, and Results of the Task Force on Intelligence Activities within the National Defense Organization

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The task force of the first Hoover Commission confined its observations and recommendations to the Central Intelligence Agency, its internal problems, and its relationships with the Joint Chiefs of Staff, the State Department, the National Security Council, and the intelligence agencies of the three military services.

The present task force has been unable to determine the degree to which these observations and recommendations were published and disseminated, except as they are reflected in the recommendation of the Commission discussed previously. However, as they influenced to some degree the direction of the efforts of this task force, a brief discussion of the observations of this task force in the same areas is believed to be pertinent.

Observations of the Task Force of First Hoover Commission and Comments of this Task Force Thereon

1. "Judgment as to the effectiveness of the CIA must be tempered by considerations of its apparent youth, its lack of tradition and established, time-tried procedures, and of continuity of personnel." The soundness of that observation is self-evident and is supported by the observations of this task force as set forth in its report.

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2. "There seems to be an excess of administrative personnel, and there is undue interference with operating agencies. Reduction of administrative overhead is possible and desirable, and interference with operating agencies should be eliminated." There still exists some excess of administrative personnel because of considerations relating to compartmentalization for security reasons, and because of the fact that the agency is now scattered among thirty-four buildings. This administrative overhead is a matter of constant concern and study to the agency. Plans for new construction have been initiated and funds will be requested.

3. "The CIA is scattered among twenty-two buildings, causing many administrative difficulties, although some scattering may be desirable for security reasons." The number of buildings now occupied by the agency has been increased to thirty-four, thus magnifying the administrative difficulties.

4. "The CIA has fallen short of its objectives as a source of national intelligence, especially in the fields of scientific intelligence, including medical. This information should be evaluated centrally." This observation will be commented upon in the discussion following recommendation 3 below.

5. "The CIA's main problem is one of securing and retaining qualified personnel. This is also true of other intelligence agencies." The securing and retaining of qualified personnel has been largely solved by the agency as it has had sufficient funds to attract the best qualified people, sometimes, unfortunately, at the expense of the intelligence

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agencies of the three services. This situation will be discussed more fully in the section covering the Central Intelligence Agency and the military services.

6. "The services must rid their intelligence estimates of service bias." Attempts on the part of service intelligence agencies to present honest intelligence estimates peculiar to that agency are sometimes "slanted" by the command echelons of the services in support of budgetary requests. This tendency should not be charged to intelligence agencies, which, on the whole, are doing an honest job as far as this task force has been able to observe.



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8. "Thought should be given to desirability of splitting CIA in time of war, and transferring operational services, such as open and covert collection, to the Department of Defense. Changes should be made in peacetime organization to facilitate this split." Much thought has been given by the officials of the CIA and the military services concerning the proper relationships in time of war between the CIA and the military services. Present plans of the CIA do not contemplate the transfer of any of CIA's current functions and responsibilities to

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the Department of Defense in time of war. However, current plans (approved by the Secretary of Defense and the DCI) envisage the transfer of operational control over CIA's component forces in active theaters of war where American Forces are engaged to the military commander thereof, who will exercise such control in the same manner as control is exercised by him over components of the Army, Navy, and Air Force assigned to the same command (see Appendix II). The task force believes that the seriousness of this ever-present problem warrants continued study to arrive, if possible, at the most suitable solution prior to the outbreak of war.

9. "The military services, including Joint Chiefs of Staff, tend to withhold details of operational information and military plans on the grounds of security." This situation has not been solved to the complete satisfaction of all interested parties.

10. "The ties binding the JCS, among others, to the CIA are too tenuous." This observation resulted in recommendation 3 of the task force and will be commented on in the discussion following that recommendation.

11. "Any proposals for the revision of laws so as to permit conviction, regardless of intent, in cases of dangerous disclosures by indiscreet and irresponsible persons, should be examined most carefully by Congress in the light of our concepts of freedom." As far as this task force has been able to determine, no statutory authority exists or is contemplated which covers the situation of former employees who may, negligently or otherwise, without intent, make unauthorized disclosures.

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12. "The National Security Organization, as established by the National Security Act of 1947, is soundly conceived. In order to improve operations, the NSC should give more thought and attention to the relationships of CIA with other agencies, and by working through the Secretaries of State and Defense, should encourage the improvement of other intelligence agencies." This observation is incorporated in recommendation 1 of the task force below.

13. "Such of the reforms as suggested by this committee, as well as those of the Dulles Committee, should be made promptly, but when action has been taken, the agencies affected should be permitted a period of internal development free from examination and its attendant publicity." Any comment on this sound observation would be redundant.

Recommendations of the Task Force of the First Hoover Commission

1. "That more adequate and effective relations be established at the working levels between appropriate committees of the JCS and the Joint Staff and their countermembers in (1) the National Security Council, (2) the Central Intelligence Agency, (3) the Research and Development Board, (4) the Munitions Board, and (5) the National Security Resources Board, to the end that in their strategic planning the JCS will weigh adequately and on a systematic, reciprocal basis, considerations of foreign policy, intelligence, scientific research and development, and economic capabilities." This recommendation is substantially the same as the recommendation of the commission, and the results will be discussed in the sections of this report devoted to the Joint Chiefs of Staff.

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2. "That the Secretary of Defense be the sole representative of the national military establishment on the National Security Council. The Committee suggests, however, in order that the JCS may be fully and currently posted on our national policy, that they be invited, as a general rule, to attend meetings of the NSC, but without membership thereon. The civilian departmental secretaries, although not members, should also be invited to attend council meetings in appropriate circumstances." The National Security Act of 1947, as amended, now provides that the Secretary of Defense is the sole National Defense Establishment member. However, secretaries and under secretaries of the military departments may serve as members at the pleasure of the President. The law also provides that the Joint Chiefs of Staff will be the principal military advisers to the President, the National Security Council, and the Secretary of Defense. It has been observed by this task force that the Chairman of the Joint Chiefs of Staff habitually attends the meetings of the National Security Council and the other members attend for those items in which the Joint Chiefs are concerned. When departmental matters are before the Council which are of concern to the Secretaries of the Army, Navy, or Air Force, the secretary concerned will be invited and may bring his military chief as an adviser, in which case that military chief will not be attending in his role as a member of the JCS.

3. "That vigorous efforts be made to improve the internal structure of the CIA and the quality of its product, especially in the fields of scientific and medical intelligence; that there be established within the agency at the top echelon an evaluation board or section composed of competent and experienced personnel who would have no administrative responsibility and whose duties would be confined solely to intelligence

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evaluation; and that positive efforts be made to foster relations of mutual confidence between the CIA and the several departments and agencies it serves." This task force has observed that positive efforts have been made to improve the quality of scientific and medical intelligence. The Office of Scientific Intelligence is adequately staffed to include medical personnel. In the quality of its products, this agency is definitely handicapped by the inability of the intelligence community as a whole to collect information from the Soviet bloc. The Office of National Estimates is a top-echelon evaluation board, composed of competent and experienced personnel with no administrative responsibilities and whose duties are confined solely to intelligence evaluation, the product of which appears in the form of national estimates. Specific recommendations with regard to deficiencies in the relations of the Central Intelligence Agency with the services will be found in those sections devoted to CIA and the Department of Defense.

4. "That the Research and Development Board and the CIA, as a joint undertaking, establish immediately within one or the other agency an efficient and capable unit to collect, collate, and evaluate scientific and medical intelligence, in order that our present glaring deficiencies in this field be promptly eliminated." The Research and Development Board has been dissolved and its functions transferred to the Secretary of Defense. Progress made by the Central Intelligence Agency in the field of scientific and medical intelligence is fully discussed in the section of this report devoted to that agency.



## INTRODUCTION

The machinery for accomplishing our intelligence objectives, hereinafter called the intelligence community when referred to as a whole, includes the Central Intelligence Agency, the National Security Council, the National Security Agency, the Federal Bureau of Investigation, and the intelligence sections of the Department of State, of the Army, the Navy, and the Air Force, and of the Atomic Energy Commission. Some of these agencies approach or exceed the operations of the CIA in functions and in expenditures. However, since CIA is charged with the overall responsibility for coordinating the output of all intelligence forces, the task force gave special attention to the work of that Agency.

Our investigations showed that the sensitive and vital work of the intelligence community is being led by a group which is sincere, and dedicated to the service of the nation. We discovered no valid ground for the suspicion that the CIA or any other element of the intelligence family was being effectively contaminated by any organized subversive or Communistic cliques. Charges were made by some individuals alleging a few members of the intelligence community to be poor security risks. All such cases, except those obviously without merit, were investigated by proper authority, or investigations are in the process of being made.

On the basis of its comprehensive studies, the task force feels that the American people can and should give their full confidence and support to the intelligence program, and contribute in every possible way to the vital work in which these agencies are engaged. We found the Director of Central Intelligence to be industrious, objective, selfless, enthusiastic, and imaginative. We are convinced, however,

that in his enthusiasm he has taken upon himself too many burdensome duties and responsibilities on the operational side of CIA's activities. The task force feels that certain administrative flaws have developed in the CIA, which must be corrected to give proper emphasis and direction to its basic responsibilities.

The major aim would be greater concentration on the collection of intelligence information from our primary target -- Russia and her satellites, and Communist China.

The task force is deeply concerned over the lack of adequate intelligence data from behind the Iron Curtain. The information we need on the political plans, scientific progress, and military potential of the Communists is there to be had, and we must exert every conceivable and practicable effort to get it. Proper directional emphasis, aggressive leadership, boldness and persistence are essential to achieve the desired results.

The glamor and excitement of some angles of our intelligence effort must not be permitted to overshadow other vital phases of the work or to cause neglect of primary functions. A majority of the task force is convinced that an internal reorganization of the CIA is necessary to give assurance that each of these functions receives adequate attention without diversionary interest.

The task force further is concerned over the absence of satisfactory machinery for surveillance of the stewardship of the Central Intelligence Agency. It is making recommendations which it believes will provide the proper type of "watch-dog" commission as a means of reestablishing that relationship between the CIA and the Congress so essential to and characteristic of our democratic form of government, but which was abrogated by the enactment of Public Law 110 and other statutes relating

to the Agency. It would include representatives of both Houses of Congress and of the Chief Executive. Its duties would embrace a review of the operations and effectiveness not only of the CIA, but also of all other intelligence agencies.

One of the aims in the creation of a compact commission of this type would be to keep the public assured of the essential and trustworthy accomplishments of our intelligence forces, and to enlist public support and participation in the intelligence effort.

Action of this sort is needed to promote a general awareness and appreciation among the people of the significance and objectives of the intelligence program. There is a corollary demand for clarification of misunderstandings which have arisen in the public mind, largely as a result of the misapplication of secrecy. However, it must be recognized that intelligence operations require a large element of secrecy as an essential to success.

The task force further is greatly concerned about the inadequate guidance being given to NSA by the United States Communication Intelligence Board, and about certain aspects of communications. Recommendations to improve the current status are made in Appendix I, Parts 1 and 2.

The intelligence community should draw more widely on the available pool of retired citizens with wide previous business experience in the foreign field, and among retired military personnel who have specialized over a long period in the intelligence field. It should develop a more attractive program of career incentives for its officials, and of benefits for its overseas employees.

Recommendations to achieve these desirable results are being offered by the task force.

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I BRIEF HISTORY OF UNITED STATES FOREIGN INTELLIGENCE ACTIVITIES

For self-preservation, the defenders of a free world need complete, prompt, and continuing information on the plans and potentialities of those who would enslave it. Nations and people who value liberty and democracy now look to the United States for leadership and inspiration in their struggle to safeguard these inherent rights.

In the historic family of nations, this country ranks as a comparative newcomer. In the early days of the Republic -- not so long ago as the world measures time -- our people felt comfortably distant from the hotbeds of foreign intrigue and conflict.

Transportation and communication facilities in the days of clipper ships and the Pony Express were so limited and so slow that they fostered a serene assurance of isolation and geographical protection against possible aggressors.

Technological developments and political realignments in modern times inspire no such sentiment as that which once led a Denver editor to evaluate news on the premise that "a dogfight in Champa Street" was worth more space in his paper than war in some minor country abroad.

Our early philosophy of peace still prevails, but within our generation and for our own protection, organized intelligence has been forced upon us by the rapidly shrinking world of electronics, nuclear weapons, and planes which travel at supersonic speed.

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The United States emerged from World War II as the political leader in world affairs and the outstanding military power. The advent of atomic bombs, together with the development of advanced methods for their delivery, intensified the need for adequate and timely intelligence so that we might fulfill our responsibilities in international affairs and insure our own survival.

Effective intelligence has become increasingly necessary for our protection against the propaganda, infiltration, and aggression of the Communist leaders. Our effort to achieve effective intelligence information and to build up an adequate organization to produce a steady and reliable flow of such data may be said to have borne fruit, but much still remains to be accomplished. By trial and error, study, and skill, we have made progress; but we must not labor under any complacent delusions. There is still much to be done in and by our intelligence community to bring its achievements up to an acceptable level.

The task force is cognizant of the grave responsibility assigned to it. It recognizes the fact that it would be false economy to stint on some phase of the intelligence operation and thereby run the risk of another costly and tragic surprise like Pearl Harbor. On the other hand, it is desirable and proper for us to insist that the substantial expenditures our country makes in this field are worthwhile and that the whole intelligence output is efficiently handled and gets adequate results.

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The recommendations of the task force are presented from the viewpoint that in time of peace we must not only be prepared for war, but also must do our utmost to prevent war. Adequate and timely intelligence is the most effective and economical means of attaining these objectives.

Establishment of the National Security Council

Traditionally, the United States is a peace-loving country. As a national policy, in peacetime it has always relied for its security on a small regular military establishment. It has consistently tried to maintain relationships with other countries openly and has refrained from participating in secret treaties. This policy likewise established the pattern for the conduct of its intelligence activities. The collection of information concerning foreign government political and military policies and plans was accomplished openly and with the full knowledge of the foreign powers. The means employed were through the offices of our diplomatic representatives abroad and accredited military attaches.

A sizeable volume of material was collected, but there was no machinery at home to pull this information together into a cohesive mass and to draw therefrom logical conclusions upon which to base national policy and future plans.

On July 11, 1941, the President, in his capacity as Commander-in-Chief of the Armed Forces, established an Office of the Coordinator of Information to "collect and analyze information data, military or otherwise, which may bear upon national defense strategy, to interpret and correlate such strategic information, to make it available to the

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President and such other officials as the President may determine, and to carry out, when requested by the President, such supplementary activities as may facilitate the securing of strategic information not available to the Government." This office had been in being only five months before Pearl Harbor.

Through a process of evolution, there finally emerged the Office of Strategic Services as an operating agency of the Joint Chiefs of Staff. This organization remained intact until the close of World War II.

In the fall of 1944, the President wrote to the Director of Strategic Services requesting recommendations as to the organization of a post-war intelligence organization. The Director submitted a plan for the creation of a central intelligence service. The plan placed the proposed central intelligence service in the Executive Office of the President and called for the appointment by the President of a director thereof who would discharge and perform his functions and duties under the direction and supervision of the President. It also called for the establishment of an intelligence advisory board, consisting of the Secretaries of State, War, and Navy, and such others as the President deemed necessary, to advise and assist the director, and gave to him the duties of coordinating, collecting, evaluating, and disseminating intelligence for national purposes. The plan recognized that each department of the Government should have its own intelligence bureau for the collection and processing of such information material as it found necessary in the actual performance of its daily functions and duties. Each such bureau should be under the sole control of its

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department head and should not be encroached upon or impaired by the functions granted any other governmental intelligence agency. The plan further contemplated that in time of war or unlimited emergency, all programs of such an agency in areas of actual and projected military operations should be coordinated with military plans, and subject to the approval of the Joint Chiefs of Staff, or if there be a consolidation of the armed services, under the supreme commander.

In the haste to dissolve the wartime agencies, the President, on September 20, 1945, divided the functions, personnel, and physical resources of the Office of Strategic Services between the State Department and the War Department. The research and presentation element was transferred to the State Department, to be absorbed or liquidated so that the element would cease to exist on December 31, 1945.

On January 22, 1946, the President created the National Intelligence Authority, consisting of the Secretaries of State, War, and Navy, and the President's personal representative, to plan, develop, and coordinate Federal foreign intelligence activities so as to assure the most effective accomplishment of the intelligence mission related to the national security. This presidential directive also created a Central Intelligence Group (CIG) under the direction of a Director of Central Intelligence (DCI), designated by the President to assist the National Intelligence Authority (NIA), to be responsible to it and for its head to sit as a member of the NIA. This directive also created an Intelligence Advisory Board (IAB) to advise the DCI. It charged the Central Intelligence Group (CIG) with accomplishing the correlation, evaluation, and dissemination of intelligence relating to the national

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security; with coordinating such of the activities of the intelligence agencies of the State, War, and Navy Departments as related to the national security; and with performing other services of common concern.

By the National Security Act of 1947, as amended (Public Law 253, 80th Congress, July 26, 1947), the Congress established a National Security Council (NSC), which took the place of the old National Intelligence Authority (NIA); established, under the National Security Council, a Central Intelligence Agency (CIA) with a Director of Central Intelligence (DCI) as the head thereof. The National Intelligence Authority ceased to exist.

The National Security Council (NSC)

The function of the NSC is to advise the President with respect to the integration of domestic, foreign, and military policies relating to the national security so as to enable the military services and the other departments and agencies of the Government to cooperate more effectively in matters involving the national security.

The Council is composed of the President, the Vice President, the Secretaries of State and Defense, the Director, Foreign Operations Administration, the chairman of the Office of Defense Mobilization, the secretaries and undersecretaries of other executive departments and of the military departments when appointed by the President to serve at his pleasure.

The Council, in addition to performing such other functions as the President may direct, for the purpose of more effectively coordinating the policies and functions of the departments and agencies of the Government relating to national security, subject to the direction of

the President, shall:

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1. Assess and appraise the objectives, commitments, and risks of the United States in relation to our actual and potential military power, in the interest of national security, for the purpose of making recommendations to the President in connection therewith.

2. Consider policies on matters of common interest to the departments and agencies of the Government concerned with the national security, and make recommendations to the President in connection therewith.

Operating Agencies Under the NSC

In order to accomplish its mission, the National Security Council has at its disposal several groups which function in varying degrees within the field of national intelligence, as follows:

- Interdepartmental Intelligence Conference (IIC)
- Interdepartmental Committee on Internal Security (ICIS)
- Operations Coordinating Board (OCB)
- United States Communications Intelligence Board (USCIB)
- United States Communications Security Board (USCSB)
- Central Intelligence Agency (CIA)
- Intelligence Advisory Committee (IAC)

The Interdepartmental Intelligence Conference was created by a National Security Council Directive on Internal Security, approved by the President on March 23, 1949, to coordinate "the investigation of all domestic espionage, counterespionage, sabotage, subversion, and other related matters affecting internal security." It consists of the Director, Federal Bureau of Investigation; the Director, Office of Naval Intelligence; the Chief of the Army Intelligence Division; the Director, Office of Special Investigations, Air Force; and may have such sub-committees as are required.

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The Interdepartmental Committee on Internal Security, created by the same directive, is responsible for coordinating all phases of the internal security field other than the functions outlined in the paragraph immediately above; and is composed of representatives from the Departments of State, Defense, Treasury, and Justice; and may have such subcommittees as are necessary.

The Operations Coordinating Board was created by Executive Order 10483, of September 2, 1953, to integrate the implementation of national security policies. The board is composed of the Under Secretary of State; the Deputy Secretary of Defense; the Director, Foreign Operations Administration; the Director of Central Intelligence; and one representative of the President. See Appendix II for further discussion.

The United States Communications Intelligence Board and the United States Communications Security Board will be dealt with separately in this report (Appendix I).

The Central Intelligence Agency was established under the National Security Council by the National Security Act of 1947, as amended, replacing the Central Intelligence Group and the National Intelligence Authority. The latter had been established by Presidential directive of January 22, 1946, to plan, develop, and coordinate Federal foreign intelligence activities related to the national security and ceased to exist at the time the CIA was established. The CIA is an independent executive agency responsible only to the National Security Council. This Agency is discussed in detail later in this report.

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The Intelligence Advisory Committee (IAC) was established by the NSC to maintain relationship essential to coordination between the CIA and other intelligence organizations and to advise the Director of Central Intelligence. It is composed of the intelligence chiefs of the CIA, FBI, AEC, State Department, Joint Chiefs of Staff, G-2 (Army), Office of Naval Intelligence (Navy), and Office of Intelligence (Air Force). The Director of Central Intelligence (DCI), who also directs the operations of the CIA, is the chairman of this committee.

Accomplishments in the Development of National Intelligence Policy by the N.S.C.

The National Security Council has issued 16 intelligence directives to date. These directives express the policy by which the intelligence effort is guided and coordinated; establish, within the intelligence community, committees such as the Intelligence Advisory Committee, the Watch Committee, the Interagency Priorities Committee, and the Interagency Defector Committee for the fulfillment of specific intelligence functions; and establish the responsibility for specific duties in designated fields of intelligence.

The national intelligence policy, as expressed in these intelligence directives, calls for an integration of all departmental intelligence relating to national security through a process of coordination of effort by the Director of Central Intelligence and correlation of intelligence by the Central Intelligence Agency.

Other groups have been established as appendages to the Council, through some of which, such as the USCIB and CIA, intelligence, advice, and recommendations have been received by the Council for use by it in advising and recommending to the President.

Intelligence Advisory Committee

National Security Council Intelligence Directive No. 1, approved in 1948 and revised in 1952, among other things, created the Intelligence Advisory Committee (IAC) for the purpose of advising the Director of Central Intelligence in order "to maintain the relationships essential to coordination between the CIA and the other intelligence organizations." The committee consists of the Director of Central Intelligence, the Director of the Federal Bureau of Investigation, and the respective intelligence chiefs from the Departments of State, Army, Navy, Air Force, the Joint Staff (JCS), and the Atomic Energy Commission. Other departmental intelligence chiefs were authorized to participate at the invitation of the Director of Central Intelligence when matters of interest to their department or agency were to be discussed.

Under the chairmanship of the Director of Central Intelligence, and using a secretariat provided by CIA, the IAC now meets weekly, or at the call of the Director of Central Intelligence. Any member of the IAC can inform the DCI of his desire to hold a meeting of the committee which will then be called. It is to be noted, however, that, although NSCID No. 1 provides for emergency meetings on very short notice, the supplementary directive issued by the Director of Central Intelligence on March 5, 1948, requires that only papers which have been distributed at least three working days prior to the meeting at which they are to be discussed will be considered. This is a desirable precautionary measure for normal

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day-to-day operations. When an emergency arises which demands prompt action, the mechanism is susceptible to acceleration and has dealt satisfactorily with crash situations.

With the intent of furthering coordination in the numerous and diverse fields of intelligence activities, some ten subcommittees of the IAC have been established and in several cases working groups have been set up covering individual subjects to support the subcommittees. In most cases, the titles of the subcommittees are explanatory of their scope and area of advice. They are as follows:

Watch Committee supported by an Indications Center.

Scientific Estimates Committee supported by some eight working groups.

Joint Atomic Energy Intelligence Committee and supporting working groups.

Interagency Priorities Committee.

[REDACTED]

Foreign Language Publications Advisory Committee.

Domestic Exploitation Committee.

Economic Intelligence Committee supported by several working groups.

National Intelligence Surveys Committee.

Interagency Economic Defense Intelligence Committee.

Each of these committees operates under the chairmanship of a representative of the Director of Central Intelligence and with a secretariat furnished by CIA. The parent committee (IAC) is an advisory body to the Director of Central Intelligence. The machinery for the operation of the IAC and its subcommittees requires either unanimous assent or submission upwards from working group to subcommittee to IAC (in the event

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there is disagreement among the Armed Forces, resolution of the disagreement must be sought from the Secretary of Defense), to National Security Council. Divergent views are shown in the final report to the NSC without anyone in the intervening levels exercising a power of decision so long as the divergent views are maintained. The procedure is cumbersome and time-consuming, and leads to some duplication of effort. At each echelon the needs or views of all interested parties are assessed.

The organization of the IAC is sound and the provisions for membership thereon are adequate. The necessity for insuring that divergent views are given proper consideration often leads to rather cumbersome and time-consuming procedures. However, whenever an emergency exists, the mechanism will permit prompt action.

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## II THE CENTRAL INTELLIGENCE AGENCY

### Scope of Survey

This survey included in its coverage all of the Central Intelligence Agency, except those elements thereof (known as the D/P Area) engaged in clandestine operations and activities, plus, where appropriate, certain operations and functions of the National Security Council and certain joint committees and boards operating in the field of intelligence pertaining to national security; as to the excepted operations and activities, only those phases thereof which impinged on the overt operations and activities of the Agency were considered during this survey. The results of the survey made by other members of the task force of those excepted operations and activities are found in Appendix II.

During this survey, visits of inspection were made to all headquarters elements and a cross-sectional number of field elements of that portion of the Agency under survey; conferences were held with all responsible key officials and with many individual employees; much written material was procured, compiled, and considered during the survey; and searching inquiries were made into all facets of the Agency's organization, functions, and operations.

### Historical Background and Governmental Position of the Central Intelligence Agency

The Central Intelligence Agency is the hub around which the Federal Government intelligence community revolves. This Agency may well attribute its existence to two major experiences in World War II. The first experience was the surprise attack at Pearl Harbor and the post-war investigation into the part intelligence or the lack of intelligence



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played in the failure to give adequate warning of the impending Japanese attack. The second experience was the establishment of the Office of Strategic Services (OSS) early in World War II and the lessons derived therefrom by its director, Major General William J. Donovan. The Pearl Harbor investigation tended to fix in the minds of Members of Congress the fact that necessary information to predict the impending Japanese attack actually was available in the Government, but that there was no system in existence to assure that the available information (properly evaluated and its meaning assessed) was brought to the attention of the President and his top advisers, in order that appropriate decisions could be made and timely instructions sent to the interested military commanders. It also demonstrated that in the pre-war Government organization structure, no one official was responsible for whatever failure of intelligence was involved, and the blame for the military surprise fell (justly or unjustly) on the military commanders present and immediately involved in the debacle. Therefore, in 1947, when Congress was considering a post-war intelligence organization, there was widespread feeling among the members thereof that responsibility for national intelligence must be centered at one point so that Congress would not again be unable to determine where failure lay.

As a result of the lessons learned by him as head of the OSS, General Donovan, in October 1944, submitted a plan for the creation of a central intelligence service. The plan placed the proposed central intelligence service in the Executive Office of the President; called for the appointment by the President of a director thereof who would discharge and perform his functions and duties under the direction and supervision of

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the President; it called for the establishment of an Intelligence Advisory Board consisting of the Secretaries of State, War, and Navy, and such others as the President deemed necessary, to advise and assist the director; and it gave to the director the duties of coordinating, collecting, evaluating, and disseminating intelligence for national purposes. The plan recognized that each department of the Government should have its own intelligence bureau for the collection and processing of such information as it found necessary in the actual performance of its daily functions and duties. Each such bureau should be under the sole control of its department head and should not be encroached upon or impaired by the functions granted any other governmental intelligence agency. The plan further contemplated that in time of war or unlimited emergency all programs of such an agency in areas of actual and projected military operations should be coordinated with military plans and subject to the approval of the Joint Chiefs of Staff, or if there be a consolidation of the armed services, under the supreme commander. Subsequently, on August 25, 1945, General Donovan, in a letter to the Director of the Budget, reiterated his previous recommendations concerning the establishment of a centralized intelligence service.

Differences of opinion among officials (largely military) of the Government, concerning the governmental position, authority, and responsibility of the proposed central intelligence service and the director thereof, were resolved by the President by the creation on January 22, 1946, of the National Intelligence Authority, consisting of the Secretaries of State, War, and Navy, and the President's personal representative, to

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plan, develop, and coordinate Federal foreign intelligence activities so as to assure the most effective accomplishment of the intelligence mission related to the national security. This Presidential directive also created a Central Intelligence Group (CIG) under the direction of a Director of Central Intelligence (DCI) designated by the President to assist the National Intelligence Authority (NIA), to be responsible to it and to sit as a member of the NIA. This directive also created an Intelligence Advisory Board (IAB) to advise the DCI; and it charged the Central Intelligence Group (CIG) with accomplishing the correlation, evaluation and dissemination of intelligence relating to the national security; with coordinating such of the activities of the intelligence agencies of the State, War, and Navy Departments as relate to the national security; and with performing other services of common concern. Although this Presidential directive placed the DCI and the CIG under the direct control of the NIA, the position, authority, and functions of the DCI and the CIG are substantially the same as those recommended by General Donovan; that is, while it put the basic authority in the National Intelligence Authority, it gave the coordinating, evaluating, and disseminating responsibilities to the DCI and the CIG.

While the foregoing Presidential directive apparently resolved most of the differences concerning the concept of a centralized intelligence coordinating authority, it did not resolve the differences concerning the position of the Central Intelligence Group in the Government organization, or the degree to which it should or should not be responsive to the desires of existing executive departments. As the drafts of the impending National Security Act of 1947 were in their formative stages,

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there were many persons in the Government at various levels of authority who still objected to the central intelligence concept and to a separate, independent agency to perform those functions. Also, at this time there was much debate concerning the question as to whether the DCI had any supervisory authority over the members of the Intelligence Advisory Board and the intelligence agencies which they represented, or whether he was one among equals who would or could proceed only by majority decision of the Board. This controversy grew so strong that in the spring of 1947 the DCI (then General Vandenberg) presented to the NIA a request that the NIA constitute him its executive agent for all matters in the field of intelligence. This request was approved by the NIA, but because of the relief of General Vandenberg on May 1, 1947, by Admiral Hillenkoetter as DCI, and the imminent passage of the National Security Act of 1947, this approved directive was never promulgated by Admiral Hillenkoetter as a directive to the IAB or its successor, the Intelligence Advisory Committee (IAC).

Subsequently, the National Security Act of 1947 (Public Law 253, 80th Cong., July 26, 1947), by Section 101 (as amended) established a National Security Council (NSC) which took the place of the old National Intelligence Authority (NIA). Also, by Section 102 (as amended) of that Act there was established, under the National Security Council, a Central Intelligence Agency (CIA) with a Director of Central Intelligence (DCI) as the head thereof; and the National Intelligence Authority (NIA) established in 1946 ceased to exist.

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While several plans were proposed at the close of World War II for the creation of an organization to coordinate the national intelligence effort, it should be noted that the plan finally adopted and placed in effect by the President was substantially in accord with the plan originally proposed by General Donovan and as carried forward into the National Security Act of 1947. Proponents of the concept of collective responsibility of the Intelligence Advisory Board and of its successor, the Intelligence Advisory Committee, as well as of the theory of placing the Central Intelligence Agency under the jurisdiction and control of the Secretary of Defense or the Joint Chiefs of Staff, all had the opportunity to and did present their respective views in 1946 prior and subsequent to the establishment of the Central Intelligence Group and later during Congressional hearings on the National Security Act of 1947; but in each instance, after careful consideration, the concepts and theories of these proponents were rejected. Nevertheless, these same concepts and theories have had strong advocates almost continuously since that time, and the DCI has been, and is being, periodically subjected to efforts to reduce him and the CIA to a status subordinate to that of a national intelligence committee collectively. Therefore, the history of the CIA has been largely one of distrust and discord among the several intelligence agencies. On the one hand, the three military intelligence agencies in the past have believed that the CIA was invading their areas of responsibility and was, in fact, largely a competitor of theirs in the intelligence field; on the other hand, the CIA has believed that at times the other intelligence agencies have not been as cooperative as they should have been in the production of national intelligence. This distrust has

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resulted in certain working personnel of almost all intelligence agencies taking advantage of every opportunity to air the shortcomings of other agencies, to the detriment of the intelligence community as a whole. The task force is of the opinion that the IAC should take cognizance of the great harm which this internal discord, distrust, and petty jealousy is doing to the accomplishment of the IAC's very important intelligence mission; that the intelligence chief of each agency should see to it that these harmful acts and tactics are discontinued within his own agency; and that any and all unresolved differences between the members of his agency and those of other agencies are brought before the IAC for final solution. Notwithstanding the spirit of distrust, discord, and jealousy among some personnel at the working level, any alleged major differences among and between the members of the IAC and the DCI are more apparent than real, since in actual practice the members of the IAC pass judgment on all DCI coordinating actions before they are published as directives to the intelligence community. For this very reason, it often requires much time and effort to produce a mutually agreeable directive. Also, existing directives require that in the performance of his responsibilities the DCI must request the advice of the IAC; the members of the IAC must state their views on the subject at issue; the DCI must hear those views and present them to the NSC in the event of major dissent. Therefore, each member of the IAC should constantly keep in mind the fact that while he is sitting as a member of the IAC he is not doing so merely as an advocate and defender of his own department's views; but that he is there as a representative of the national interests, selected for and appointed to that duty because of his special knowledge of a particular field of intelligence activity.

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Hence, each member of the IAC should never abstain from any committee deliberations, but should consider and express his views on any and all subjects which may be before the committee for consideration.

Intelligence Mission and Objectives of Intelligence Community

The national intelligence mission of the intelligence community of the Government is to develop and maintain an intelligence system capable of

a. Collecting and analysing indications of hostile intentions that would give maximum prior warning of possible aggression or subversion in any area of the world;

b. Accurately evaluating the capabilities of foreign countries, friendly and neutral as well as enemy, to undertake military, economic, and subversive courses of action affecting U.S. national security; and

c. Forecasting potential foreign developments having a bearing on U.S. national security.

Based on the foregoing intelligence mission, there have been established certain coordinated, comprehensive national intelligence objectives applicable to all foreign countries and areas; and certain priority national intelligence objectives with reference to specific countries and subjects, which are further classified as highest priority, high priority, and priority, according to the current six-months' forecast of countries and subjects of greatest importance.

Statutory Responsibilities of DCI and CIA

The CIA is an independent instrumentality of the Executive Department of the Government created by Congress through the enactment of the National Security Act of 1947 (61 Stat. 496, 50 U.S.C. 401, et seq., approved July 26, 1947), as amended, wherein, in Section 102 thereof, it is specified, in pertinent part, that --

"(a) There is hereby established under the National Security Council a Central Intelligence Agency with a Director of Central Intelligence, who shall be the head thereof, and with a Deputy Director of Central Intelligence, who shall act for, and exercise the powers of the Director during his absence or disability ..."

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"(c) Notwithstanding the provisions of section 6 of the Act of August 24, 1912 (37 Stat. 555), or the provisions of any other law, the Director of Central Intelligence may, in his discretion, terminate the employment of any officer or employee of the Agency whenever he shall deem such termination necessary or advisable in the interests of the United States, but ...

"(d) For the purpose of coordinating the intelligence activities of the several Government departments and agencies in the interests of national security, it shall be the duty of the Agency, under the direction of the National Security Council -

"(1) To advise the National Security Council in matters concerning such intelligence activities of the Government departments and agencies as relate to national security;

"(2) To make recommendations to the National Security Council for the coordination of such intelligence activities of the departments and agencies of the Government as relate to the national security;

"(3) To correlate and evaluate intelligence relating to the national security, and provide for the appropriate dissemination of such intelligence within the Government using where appropriate existing agencies and facilities: Provided, That the Agency shall have no police, subpoena, law-enforcement powers, or internal-security functions:



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Provided further, That the departments and other agencies of the Government shall continue to collect, evaluate, correlate, and disseminate departmental intelligence: And provided further, That the Director of Central Intelligence shall be responsible for protecting intelligence sources and methods from unauthorized disclosure:

"(4) To perform, for the benefit of the existing intelligence agencies, such additional services of common concern as the National Security Council determines can be more efficiently accomplished centrally.

"(5) To perform such other functions and duties related to intelligence affecting the national security as the National Security Council may from time to time direct.

"(e) To the extent recommended by the National Security Council and approved by the President, such intelligence of the departments and agencies of the Government, except as hereinafter provided, relating to the national security shall be open to the inspection of the Director of Central Intelligence, and such intelligence as relates to the national security and is possessed by such departments and other agencies of the Government, except as hereinafter provided, shall be made available to the Director of Central Intelligence for correlation, evaluation, and dissemination: Provided, however, That upon the written request of the Director of Central Intelligence, the Director of the Federal Bureau of Investigation shall make available to the Director of Central Intelligence such information for correlation, evaluation, and dissemination as may be essential to the national security."

#### Duties and Responsibilities of DCI

By virtue of his statutory position as head of the CIA, the director thereof (DCI) is responsible for all of the activities, duties, functions, operations, and responsibilities of the Central Intelligence Agency. Therefore, in consonance with the pertinent provisions of the National Security Act of 1947, as amended, the DCI is responsible not only for the administration of the CIA, but for the performance by him and it of the statutory duties prescribed in the statute, viz:

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(a) To make recommendations to the National Security Council (NSC) for the coordination of intelligence activities of the several Government departments and agencies in the interest of national security.

(b) To advise the NSC in matters concerning such intelligence activities as relate to national security.

(c) To correlate, evaluate and disseminate intelligence relating to national security.

(d) To perform such additional services of common concern and other functions and duties as the NSC may direct.

(e) To protect intelligence sources and methods from unauthorized disclosure.

(f) To inspect, pursuant to instructions of the NSC, such intelligence of the departments and agencies of the Government as relates to the national security.

In addition to the foregoing statutory duties, the DCI also is chairman of the United States Communications Intelligence Board (USCIB); and he is a member of the Operations Coordinating Board.

The NSC in National Security Council Intelligence Directive No. 1 (NSCID No. 1) directed the establishment of an Intelligence Advisory Committee (IAC), consisting of the DCI as chairman, the intelligence chiefs of the State, Army, Navy, and Air Force Departments, the intelligence chiefs of the Joint Chiefs of Staff and the Atomic Energy Commission, and a representative of the Director of the Federal Bureau of Investigation, to advise the DCI. NSCID No. 1 also directs and/or authorizes the DCI to act for the NSC to insure full and proper implementation of Council directives by issuing such supplementary DCI directives as may be required. It also prescribes that in giving advice to the NSC, in issuing implementing DCI directives, in producing national intelligence, in disseminating national intelligence,

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in alerting the President and others in the event of indications of a crisis, in performing services of common concern, and in doing all manner of other things connected with the coordination of the intelligence efforts of the intelligence community, he should and shall consult with and seek the advice of the Intelligence Advisory Committee, and transmit to the NSC any major dissent on the part of any member of the IAC. In conformity with the provisions of the National Security Act of 1947 and National Security Council Intelligence Directive No. 1, there have been issued by the NSC a total of sixteen formal, numbered intelligence directives plus other informal ones on a variety of intelligence subjects, and by the DCI a total of thirteen DCI directives to implement these NSC directives, all for the purpose of allocating areas of responsibility in connection with the coordination of the production of national intelligence.

A careful examination of these formalized directives indicates that in some, if not most, instances they are not clear and concise and do not convey in precise and unmistakable terms the instructions necessary to carry out the purposes intended by the directives. Also, there are some fields of possible conflict, such as in the inducement and exploitation of defectors, portions of the fields of scientific intelligence, and in the clandestine collection of information, which have not been resolved to the mutual satisfaction of all concerned. Members of the IAC are aware of these areas of conflict, and it is believed that they are continuously endeavoring to eliminate them by consultations and give-and-take mutual agreements. Nevertheless, the task force is of the opinion

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that all existing intelligence directives of the NSC, IAC, and the DCI should be reviewed by the IAC and others concerned, with a view to establishing clearer areas of responsibility and to allocating intelligence tasks in each such area which will be in accord with the capability, interest, and paramount national responsibilities of each department or agency.

Responsibilities Assigned to CIA by the NSC

By various directives, the NSC has assigned to the DCI and the CIA duties, functions, and responsibilities, as follows:

- a. For coordination of the production and maintenance, for the editing, publication, and dissemination of National Intelligence Surveys (Basic Intelligence), and for making such requests on other agencies as are necessary for their proper development and maintenance.
- b. For the production and dissemination of such Current Intelligence as may be necessary to meet the internal requirements of the CIA or its external responsibilities.
- c. For the production of such Staff Intelligence as the CIA shall require for its own use.
- d. For the production of such departmental (basic, current, and staff) intelligence as may be necessary to execute its mission and to discharge its lawful responsibilities.
- e. For the production and dissemination, in coordination with members of the IAC, of national intelligence.
- f. For requesting of and receiving from other agencies such special estimates, reports, and periodic briefs or summaries prepared by such other agencies in their fields of dominant interest or in accordance

with their production capabilities, as may be necessary in the production of intelligence reports or estimates.

g. For the maintenance of adequate research facilities, not only to accomplish the intelligence production tasks allotted to the CIA, but also to provide such additional intelligence reports or estimates within its field of dominant interest as may be necessary to satisfy the requirements of the other agencies under such allocations.

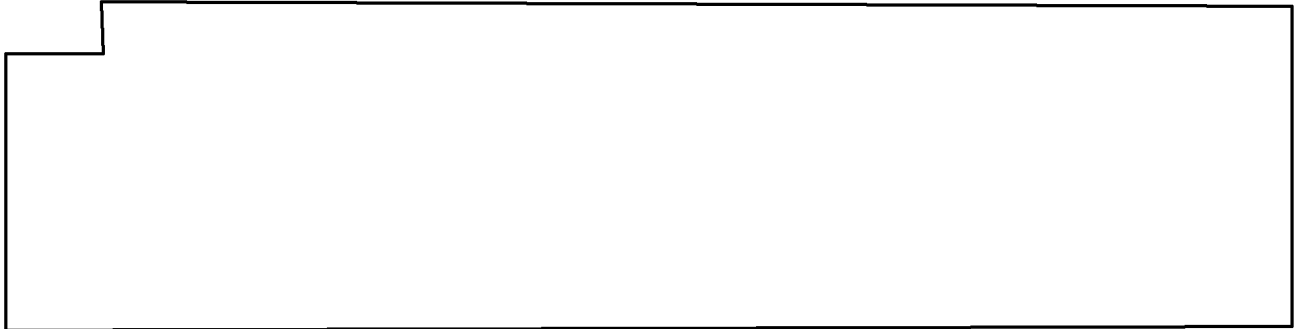
h. For the collection abroad of such economic, scientific, and technological intelligence as may be necessary for its own needs.

i. For the preparation, in collaboration with other IAC agencies concerned, of a comprehensive outline of national intelligence objectives applicable to foreign countries and areas to serve as a guide for the coordinated collection and production of national intelligence; and for the establishment of priority interests in items comprising the outline of national intelligence objectives.

j. For the conduct of all organized Federal and certain special operations outside the United States and its possessions for the collection of foreign intelligence information required to meet the needs of all departments and agencies concerned, except for certain agreed activities by other departments and agencies.

k. For the conduct of all organized Federal counterespionage operations outside the United States and its possessions and in occupied areas, with certain provisos.

l. For the coordination of covert and overt intelligence collection activities.



n. For the exploitation, on a highly selective basis within the United States, of business concerns, other non-governmental organizations and individuals as sources of foreign intelligence information.

o. For the maintenance, as a matter of primary responsibility, of biographical data on foreign scientific and technological personalities.

p. For the determination of those countries which have informational potential in fields of basic and applied sciences, as related to the national security.

q. For the production, as a matter of primary responsibility, of intelligence on fundamental research in the basic sciences, on scientific resources, and on medicine (except military medicine), plus intelligence on pertinent applied research and development.

r. For the coordination of policies concerning the protection of intelligence sources and methods, within the limits established by Section 102 of the National Security Act of 1947, except where provision has already been made by the National Security Council; and to be guided in this by the principle that covert or sensitive information, either unevaluated or as an intelligence product, shall go only to those whose official duties require such knowledge; and, further, any reference to the CIA should emphasize its duties as the coordinator of intelligence rather than its secret intelligence activities, and preferably that no mention whatsoever of this Agency should be made unless it is unavoidable.

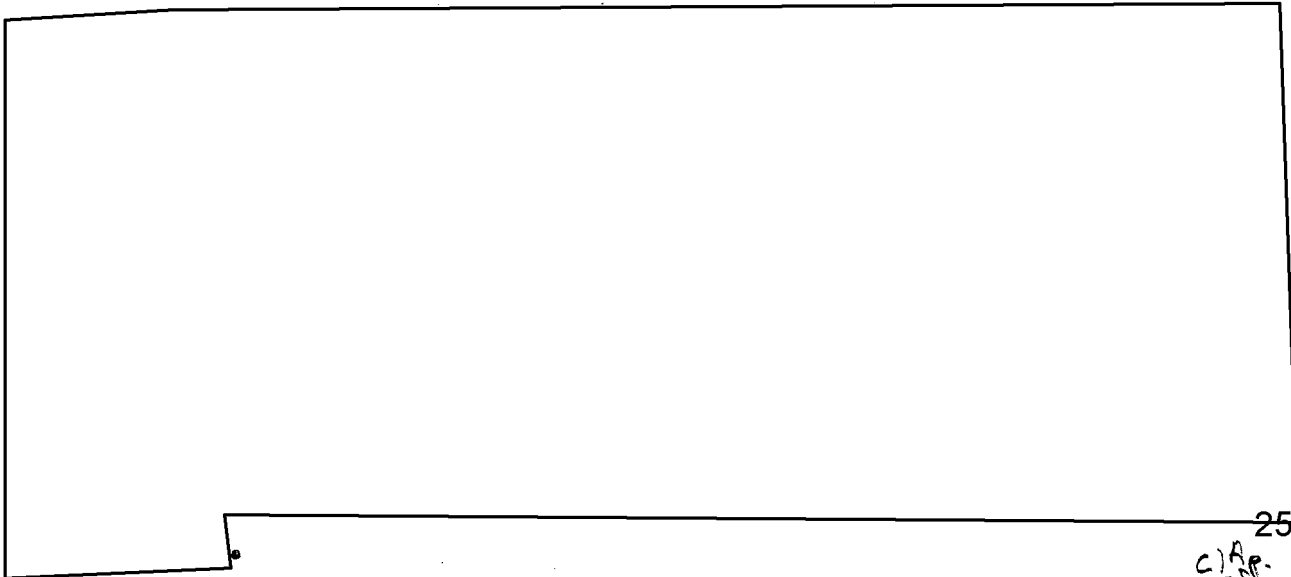
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s. For the prevention, as one of the members of the IAC, of the unauthorized disclosure, by written or oral publication, of any information concerning intelligence or intelligence activities; and concerning this, it is to be guided by the policy of the NSC to the effect that the NSC considers that any publicity, factual or fictional, concerning intelligence is potentially detrimental to the effectiveness of an intelligence activity and to the national security.

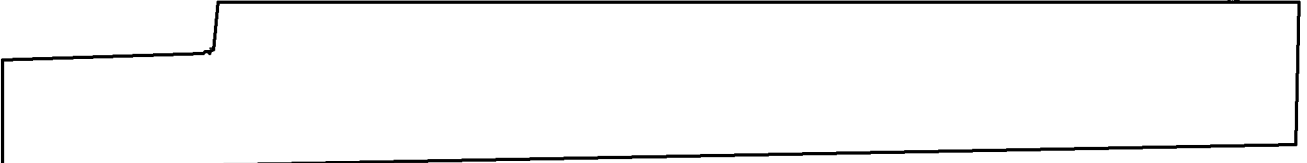
t. For the inducement of the defection of potential defectors, except in the cases where it is manifestly in the interest of security or efficiency that representatives of other agencies undertake such action.

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w. For the maintenance of a continuing review of the requirements of the U.S. Government for foreign economic intelligence relating to the national security, and of the facilities and arrangements

available to meet those requirements; for the insurance, through regular procedures, that the full economic knowledge and technical talent available in the Government is brought to bear on important issues involving national security; for the evaluation, through regular procedures, of the pertinence, extent, and quality of the foreign economic data available bearing on national security issues; for the development of ways in which quality could be improved and gaps could be filled; and for the conduct, as a matter of common concern, of such foreign economic research, and the production of such foreign economic intelligence as may be required to supplement that produced by other agencies, either in the appropriate discharge of their regular departmental missions, in fulfillment of assigned intelligence responsibilities, or to fulfill requests of the IAC.

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2. For the conduct of certain cold-war, covert, and other clandestine functions as directed by the NSC.

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In addition to the foregoing duties, functions, and requirements, the CIA performs the following activities:

- a. Maintains a central reference library, a map library, an industrial register, a graphic register, a special register, and a factory markings service and register; all for its own use and for the use of the intelligence community.
- b. Produces geographic intelligence for its own use.
- c. Provides the chairman and secretariat of each IAC working committee and of the Economic Defense Intelligence Committee of the Economic Defense Committee.
- d. Provides some personnel for and participates in the functions of the National Indications Center.
- e. Conducts its own administrative and logistic duties and functions.

#### Organization of CIA

Prior to 1951, the CIA was organized and staffed primarily to perform its statutory functions concerning the coordination of the production of national intelligence. In that year, it became engaged in more extensive cold-war operations and the strength of the Agency was rapidly built up until by the end of 1952 it was approximately doubled. At the present time, the CIA is organized into a small headquarters office consisting of the

Director of Central Intelligence  
Deputy Director of Central Intelligence  
Executive Assistant (Secretary) to the Director  
Special Assistant for Planning and Coordination  
Inspector General  
Historical Staff

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and three areas of responsibility, each under a deputy director, as follows:

Deputy Director (Plans) Area (DD/P)  
Deputy Director (Support) Area (DD/S)  
Deputy Director (Intelligence) Area (DD/I)

The Director of Central Intelligence (DCI) personally sits as chairman of the USCIB and of the IAC, and as a member of the OCS. The major portion of his time, as well as that of other officials of his office, is devoted to cold-war and other related special operations and functions of the DD/P Area. The DCI exercises direct general control and supervision over the operations of the CIA by thrice weekly scheduled meetings with the three deputy directors of operations, and by monthly scheduled meetings with the assistant director heads of the various operating offices. Special matters are also directly controlled by him through the three operating deputy directors, or occasionally with the assistant director or directors concerned. Aside from this infrequent and distant control over the day-to-day activities of the elements of the CIA, the DCI has decentralized the administrative and operational control over his agency, particularly of the DD/I and DD/S Areas, to the deputy directors of the three areas of responsibility; and they in turn have further decentralized a large part of their control authority to the assistant director heads of the various operating offices. It is the view of the task force that this type of control is not conducive to efficient administration and tends to create a group of small semi-autonomous elements, the head of each of which in large measure exercises a self-determination as to what, when, and how he will conduct his assigned duties and functions; tends to foster self-interest; and militates against that quality of agency-wide cohesiveness of effort

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which is so essential in the efficient management of any activity.

To alleviate this unsatisfactory condition brought about largely because of the constant demands on the time of the DCI in the execution of the Agency's cold-war functions, there is a vital need for the establishment of a single coordinating authority, such as an executive director or executive of the Agency as envisaged by the basic enabling legislation, between the DCI and the heads of the various operating elements of the Agency, to relieve the director of the responsibility for the consideration of the many administrative, logistical, and operational details and problems which should be resolved by a central high-level authority. However, because of the frequent unavailability of such an authority under current conditions, many of these details and problems have not been presented to higher authority for consideration, but have been settled, if settled at all, by the originating office or by mutual direct arrangements between interested officers.

The Deputy Director of Central Intelligence is a stand-by for the DCI. He is the chairman of the Watch Committee of the IAC; otherwise, he has been assigned no special continuing type of duties, but performs only such duties as may be assigned to him from time to time by the DCI. Nevertheless, perhaps largely because of the absence of an Executive Director, he frequently finds himself to be the focal point of administrative problems which are brought to him for advice and suggested solution, not because of an assigned functional responsibility therefor, but rather because of the prestige and respect for the qualifications of a person of his military grade. Other members of the headquarters staff perform the functions indicated by their respective titles.

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Responsibilities and Functions of DD/P Area

The Deputy Director (Plans) (DD/P) controls and supervises that area of the CIA which is engaged in espionage and counterespionage, and cold-war functions. These cold-war functions were assigned to the CIA shortly after the Agency was created, and have been increased materially, [REDACTED]

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[REDACTED] While it appears that, technically, there is no statutory authority for the performance by the CIA of its currently prescribed cold-war functions, the fact remains that the CIA has been assigned those functions by the NSC, and until they are transferred to some other agency, the CIA must continue to perform them. Nevertheless, the present internal organization of the CIA for carrying out its DD/P type of functions gives rise to the suspicion that the intelligence which the CIA produces is not in fact national in its scope and effect, but rather may be sought and slanted to meet its own operational needs. Moreover, post-mortems of the National Intelligence Estimates and National Intelligence Surveys produced by the intelligence community reveal important gaps in the availability of intelligence information from within the Soviet Republic, most of which gaps can be corrected only by concentration on clandestine collection methods within the Soviet-bloc countries. It appears that the clandestine collection of raw intelligence information from within the USSR has been overshadowed by the concentration by the DCI and others of an inordinate amount of their time and efforts on the performance of the Agency's cold-war functions. The task force, therefore, is of the opinion that the present internal organization of the CIA, for the performance of the DD/P type of functions, has had a decidedly adverse effect on the

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accomplishment of the Agency's espionage and counterespionage functions.

To eliminate, or at least to alleviate, the basic causes of this adverse effect on the performance of its espionage and counterespionage functions, the majority of the task force members believe strongly that those elements of the current DD/P area of responsibility engaged in the performance of these functions should be removed from close integration with the "cold-war" elements of that area of responsibility. In furtherance of such a separation, the majority of the task force, therefore, recommends that the "covert intelligence" functions and the "cold-war" functions of that area each be assigned to the exclusive jurisdictional control of a separate operating deputy director, the area of responsibility of each to be made administratively and logistically self-supporting.

However, a minority of the task force feels that all "covert intelligence" and "cold-war" operations should be under both the staff and operating direction of a single operating deputy director, although such operating deputy director should have two deputy directors operating at the staff level, dealing separately and exclusively with "covert intelligence" and with "cold-war" operations. The task force believes that the senior operating deputy director charged with the responsibility of conducting the Agency's "cold-war" functions should be designated as the representative of the Director of Central Intelligence on the Operations Coordinating Board (OCB), in order that the DCI can thereby devote a greater share of his time to the performance of the Agency's intelligence-type functions; and that the status of each of the three major operating deputy directors of the Agency be increased from that of a civil-service position (Grade GS-18) to that of a Public Law Presidential appointee at a salary

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of \$16,000 per year. Regardless of the merits of the foregoing recommendations, and in spite of the fact that the national intelligence produced in the last two years is unquestionably far superior in quality to that produced theretofore, the facts developed during this survey support the conclusion that the DCI, as currently supported by the IAC and the intelligence agencies which they represent, is not producing an adequate quality of coordinated national intelligence; and that this failure is due largely to a lack of raw intelligence information, particularly on the Soviet-bloc countries.

#### Responsibilities and Functions of DD/I Area

The Deputy Director (Intelligence) (DD/I) is charged with responsibility (1) for assisting the DCI in discharging his duties and functions as adviser to the NSC, as chairman of the IAC, and in the coordination of the intelligence activities of the Government; (2) for rendering advice to the DCI as to substantive matters on current intelligence and future estimates; (3) for representing the CIA and the intelligence community as intelligence adviser on the Planning Board of the NSC; (4) for arranging the scheduling of national estimates in support of the Planning Board's work; (5) and for supervising the operations of the following six offices of the DD/I Area which are engaged in the production of substantive intelligence, intelligence research, coordination of intelligence, collection of overt intelligence at home and abroad, and collection and dissemination of intelligence:

- Office of Collection and Dissemination (OCD)
- Office of Operations (OO)
- Office of Scientific Intelligence (OSI)
- Office of Research and Reports (ORR)
- Office of Current Intelligence (OCI)
- Office of National Estimates (ONE)

It is suggested that the above-mentioned offices be re-titled as indicated below, to depict more precisely the functions being performed; and that the Basic Intelligence Division of ORR be withdrawn therefrom and raised to office status because of the very great importance of its functions:

- Office of Reference and Liaison (ORL)
- Office of Collections (OC)
- Office of Scientific Research (OSR)
- Office of Economic and Geographic Research (OER)
- Office of Basic Intelligence (OBI)
- Office of Current Intelligence (OCI)
- Office of National Estimates (ONE)

#### Office of Collection and Dissemination

The Office of Collection and Dissemination (OCD) is charged with providing

- a. Central reference facilities for all components of the CIA;
- b. Central services for the coordination of requirements, the servicing of collection requests and the dissemination of intelligence material.

To perform these functions, OCD is organized into a small headquarters staff and the following seven functional operating divisions:

- Liaison Division
- Machine Division
- CIA Library
- Industrial Register
- Biographic Register
- Graphics Register
- Special Register

The present OCD is the product of a merger in mid-1948 of a Reference Center, which performed what are today the primary functions of OCD; and an older office of the same name (OCD), which performed the liaison functions alone; i.e., the coordination of requirements,

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merger, both the first Hoover Commission and the Dulles-Jackson-Correa Committee inspected the CIA, and each recommended that the liaison functions (coordination of requirements, collection, dissemination) be separated from the reference functions; but this was not done because for two years previously these two activities had been separated and had proved unsatisfactory in practice. The present organization of the OGD appears to be effective for the accomplishment of both types of functions, but it is suggested that its title be changed to Office of Reference and Liaison, which would be more descriptive of the functions now being performed by that office. The OGD envisages itself as the central reference center for the entire intelligence community, and performs or attempts to perform its functions accordingly. However, at the present time there exists no statutory authority for the establishment of such a central reference center, nor has there been the establishment of one -- except in certain fields -- specifically directed by the NSC, the DCI, or the IAC. Since the performance by CIA of certain types of central reference and other allied services could result in greater economy and efficiency than if each intelligence agency performs or attempts to perform its own services of this type, it is the view of the task force that certain types of this CIA central reference service should be recognized and accepted by the intelligence community as a whole, and made official by the publication of an appropriate NSC intelligence directive. Also, it is suggested that, because of budgetary limitations imposed on the Department of State, the CIA be charged with the responsibility of providing full-time publications procurement officers with diplomatic missions to appropriate countries.

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### Office of Operations

The Office of Operations is organized into a small headquarters staff, a Soviet Materials (exploitation) Staff (SOVMAT), and the following three functional operating divisions:

Contact Division (OO/C)  
Foreign Documents Division (FDD)

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All of the Office of Operations functions are related to the collection of intelligence information from overt sources in behalf of the intelligence community as a service of common concern under the provisions of Section 102(d)(4) of the National Security Act of 1947. Specifically, it coordinates the procurement, testing, and analysis of Soviet and satellite materials according to requirements levied on it by members of the IAC; through a system of strategically located field offices and resident agencies in the United States, it collects in behalf of the intelligence community, foreign intelligence information from selected private organizations and individuals within the United States; by translation and publication of excerpts and summaries thereof, it exploits intelligence information contained in foreign documents and publications;

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The functions now being performed by the Office of Operations are in fact of common interest to all members of the intelligence community and are formalized by appropriate National Security Council intelligence

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directives; and the excellent performance of these functions by the OO has resulted in the collection of information not hitherto considered or systematically attempted by the intelligence community. The task force suggests that the exploitation of these excellent sources of information should be greatly expanded, particularly in the fields of contacts with our returning citizens; and should include a greater exploitation of citizens of other countries, particularly of the Soviet bloc, who are on visits to countries of the free world.

#### Office of Scientific Intelligence

The Office of Scientific Intelligence (OSI) is organized into a small headquarters and staff and the following eight functional operating divisions:

- Applied Science
- Biology
- Chemistry
- Medicine
- Nuclear Energy
- Physics and Electronics
- Scientific Analysis
- Scientific Resources

It is charged with the performance of the following responsibilities and functions under authority of Section 102(d)(4) of the National Security Act of 1947, and under the provisions of FSCID No. 3, DCID 3/4, and

a. Establishes and maintains the CIA's intelligence research and production program in the field of scientific and technical intelligence.

b. Conducts research and produces intelligence on fundamental research in the basic sciences, on basic scientific resources, on medicine (excluding military medicine), on atomic energy, and on

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pertinent applied research and development.

c. Correlates and evaluates all-source scientific and technical intelligence produced by other intelligence agencies, to meet the needs of the DCI and other officers of the CIA in fulfillment of their assigned responsibilities, and, where necessary, conducts research and produces scientific and technical intelligence to supplement that produced by other agencies.

d. Performs other coordinating and support functions as may be directed or required.

The first Hoover Commission report of November 1948 took note of the general disorganization and inadequacies in the fields of scientific and technical intelligence, and it recommended that a separate office be established in CIA to cover the field of scientific intelligence. Shortly thereafter the Dulles-Jackson-Correa report made similar recommendations. Accordingly, the current OSI was established by a directive dated December 31, 1948. Since that date the OSI has gradually evolved its own responsibilities and functions within the framework of the National Security Act of 1947 and basic directives of the NSC and DCI. The development and full implementation of these responsibilities and functions has been a difficult task. The most vexing and most perplexing problems continue to center around the relationship of scientific with technical intelligence, and the development of improved coordination with the military agencies. The principal difficulties appear to be a lack of appreciation in both the CIA and in the military intelligence agencies of the distinction between scientific intelligence concerned primarily with

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the future development potential of foreign nations, and technical intelligence concerned with present weapons of foreign nations. These differences resulted, in August 1952, in the replacement of the Scientific Intelligence Committee of the IAC with the Scientific Estimates Committee, which concerns itself with the integration of scientific opinion and only incidentally with the coordination of other scientific intelligence activities; with the result that there is still inadequate coordination of this activity, except as it affects atomic energy. In that field there is a special Joint Atomic Energy Intelligence Committee of the IAC (JAEIC), which has been able to accomplish a considerable degree of coordination in all phases of that activity. This committee is further discussed in the section of this report concerning the Atomic Energy Commission.

Up to the present time, progress in the coordination of the electronic intelligence (ELINT) field especially is inadequate, in spite of about two years of efforts to accomplish suitable agreements among the members of the intelligence community. However, in December 1954, an interchange of communications between the CIA and the Department of Defense pointed to a probable solution of the ELINT problem by the establishment of a national ELINT center under the Secretary of Defense. Further discussion of this subject is contained in Appendix I of this report.

While the OSI has made considerable progress in its attempts to build and staff a scientific focal point for the coordination of the scientific intelligence efforts of the intelligence community, it is

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the view of the task force that the OSI needs further outside assistance by the accomplishment of the following suggested actions:

- a. Change the title of OSI to "Office of Scientific Research."
- b. Revise the pertinent NSCID to relieve the Department of State, because of its lack of special interest, funds, personnel, or other means, of its responsibility for the foreign collection of scientific and technical information, and assign that responsibility to the CIA (OSI), together with a charter which will permit it to place and control such scientific attaches with diplomatic missions of various countries as the CIA may deem appropriate for the collection abroad of open types of scientific information.
- c. Revise the pertinent DCID to abolish the present Scientific Estimates Committee (SEC) and to reestablish, in lieu thereof, a Scientific Intelligence Committee (SIC), with a charter which will permit the establishment of as many separate working committees thereof as may be appropriate, to effect interagency coordination in the various fields of scientific intelligence, such as biological, chemical, etc.
- d. Up to the present time the CIA has been one of the major participants in the intelligence effort on foreign atomic development. While considerable success has been achieved in this field, the task force believes that the division of responsibilities of the overall atomic energy intelligence effort requires definition and reorientation, as recommended in the section of this report concerning the Atomic Energy Commission.

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Office of Research and Reports

The Office of Research and Reports (ORR), less basic intelligence, is organized into a headquarters and staff, and the following three functional operating areas:

Geographic Research Area  
Economic Research Area  
Coordination Area

Its responsibilities and functions are threefold, viz:

Production of economic intelligence on the Soviet bloc;

Production of geographic intelligence on all areas outside the United States; and

Coordination of the National Intelligence Surveys program and the activities of other intelligence agencies in the fields of economic and geographic intelligence.

The intelligence production parts of these responsibilities and functions involve primary basic research and publication of results, as well as research in direct support of national intelligence estimates, other CIA offices, and other IAC member agencies.

The present ORR stems from the break-up in late 1950 of the Office of Reports and Estimates, out of which there were created the Office of Current Intelligence (OCI), the Office of Scientific Intelligence (OSI), the Office of National Estimates (ONE), and the present Office of Research and Reports (ORR). Since that time, the ORR has gone through several evolutionary organizational changes to arrive at its present organization.

There appear to be no major difficulties involved in the performance of the ORR's responsibilities and functions, all of which are well defined by HSC and DCI directives. All of the important areas of conflict are largely eliminated or at least alleviated by the establishment of appropriate community-wide coordinating working committees of the IAC, such as the Economic Intelligence Committee with several sub-

committees, the Economic Defense Intelligence Committee with several subcommittees, an NIS Committee, and a mutually established Interagency Map Procurement Coordination Committee.

The Geographic Area is organized into a Cartography Division, a Geography Division, a Map Library, and a Photo Intelligence Division, each of which specializes in the intelligence responsibilities and functions implied by its title. The Economic Research Area is organized into an Industrial Division, a Materials Division, a Services Division, and an Analysis Division. Each of these divisions is responsible for contributing within its field of responsibility to national estimates, to current support of OCI, to the economic chapters of the NIS for Soviet bloc countries, to the coordination of economic intelligence in the U.S. Government; and for furnishing secretariats for the various working subcommittees of the EIC, which is the real coordinating mechanism for the production of economic intelligence. The chief of the Coordination Area is responsible for directing the activities of the Economic Intelligence Committee (EIC) secretariat, the Economic Defense Division, the Techniques and Methods Division, and the Basic Intelligence Division. Because of the importance of this latter division, its responsibilities and functions are considered separately below.

#### Production of Basic Intelligence

All information such as raw reports or finished research reports possessing intelligence value relating to the national security eventually ends up as a part of what is commonly referred to as basic intelligence; i.e., National Intelligence Surveys, or current intelligence, and from thence, if pertinent to the questions at issue, becomes a part of or is considered during the preparation of national estimates. Therefore, one

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of the most important sources of information for the preparation of a national estimate on any subject would be a National Intelligence Survey, or book of knowledge, on any pertinent subject on any country or area of the world which sets forth complete and up-to-date factual data on the subject at issue. Unfortunately, such a goal is hardly attainable, because of the evolutionary changes which are constantly taking place in every field of human endeavor, and which, therefore, tend to make out of date any so-called basic data which might be contained in a National Intelligence Survey. Therefore, the production of basic intelligence involves not only the initial production of a National Intelligence Survey but continuous and never-ending efforts to maintain the data contained therein in a reasonably current status.

The NIS program has shown steady growth and progress during its few years of operations, until today it stands as the largest and most comprehensive intelligence production program of the Government; but much still remains to be done. The program appears to be firmly supported by the intelligence community which is relying increasingly on the NIS's to satisfy essential basic intelligence requirements. Moreover, the completed portions of the NIS program, together with the working files in the various intelligence agencies which have been greatly expanded under the stimulus of NIS requirements, are providing basic intelligence source knowledge in depth to serve departmental and operational needs. To date, there have been produced only an equivalent

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of about 40 percent of the total NIS world coverage; some gazetteers have been produced; and there have been established only the beginnings of an active maintenance program for the necessary revision of published NISs and gazetteers. The full development of the NIS program is a formidable task, and it is the view of the task force that the program would be materially stimulated and placed on a more efficient and economical basis if this activity were taken out of its third-level position in the ORR and raised to a separate office status under an Assistant Director, as was done in the case of the establishment of the Office of Current Intelligence.

#### Production of Current Intelligence

The office of Current Intelligence (OCI) was established as a separate office in late 1950. It performs its assigned functions in accordance with the provisions of Section 102(d) National Security Act of 1947, and pursuant to authority contained in NSCID No. 3, wherein it is stated that the CIA and other agencies shall produce and disseminate such current intelligence as may be necessary to meet their own internal requirements or external responsibilities. Therefore, it produces current intelligence primarily for the support of the DCI and the CIA.

While there is widespread duplication of effort among the various agencies of the intelligence community in the production by each of them of its own current intelligence requirements, the task force sees no satisfactory or feasible alternative to the production of completely coordinated current intelligence by the OCI so long as the DCI is charged

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with his current responsibilities to give intelligence advice to the members of the National Security Council. However, a coordinated effort has been developed in this area by the Watch Committee of the IAC in its National Indications Center, which serves to assure the probable accomplishment of one of the most important, if not the most important, missions of the intelligence community -- "collecting and analyzing indications of hostile intentions that would give maximum prior warning of possible aggression or subversion in any area of the world." Also, there have been developed in the OCI a considerable number of expert analysts who have acquired expert knowledge of across-the-board types of intelligence information which is of great value to the Office of National Estimates when it is engaged in the production of a national estimate.

#### Production of National Estimates

The Office of National Estimates was created in the fall of 1950 in response to specific recommendations of the first Hoover Commission and the Dulles-Jackson-Correa reports to create a small group of capable people, freed from administrative detail, to concentrate upon the production of national intelligence estimates. Therefore, the ONE has but one mission: to produce national intelligence estimates in close collaboration with other agencies of the IAC, which will serve as essential intelligence backing for U.S. policy and planning at the highest level of Government. To carry out its mission, it is organized into a small administrative support staff, a small intelligence estimates working staff, and a Board of National Estimates comprised of ten senior intelligence officers of long and varied experience in intelligence and related fields.

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The production of national estimates is a complex process. The first step in the estimates process, the initiation of a national estimate, is based either on a request from the policy makers or, as is more commonly the case, on the suggestion by an intelligence component of the IAC (usually CIA) that a situation is developing about which the policy makers should be apprised. The IAC, or the DCI, must and does approve the scheduling of each estimate, the need for which must be timely and national in its scope. The next step is the preparation by ONE of the terms of reference for the estimate, appropriate sections of which (as agreed to by the IAC agencies) are sent to the various IAC agencies and/or to other CIA offices calling for contributions in accordance with their ability to contribute. Drawing upon their full resources, contributing agencies prepare and send in their respective contributions to the estimate. Upon receipt of these contributions, ONE prepares a draft of the estimate, which is sent to the respective contributors for review and further suggestions. Thereafter, the Board of Estimates meets with IAC working-level representatives to discuss the revised draft, and attempts to resolve all differences and arrive at a common estimate, short of watering down the estimate to a point where it would be meaningless. This final version of the estimate then goes before the IAC, where any remaining differences are discussed and resolved, if possible. Ultimately, the estimate as approved by the DCI, together with accompanying major dissents, if any, is then published and transmitted to the person requesting the estimate and/or to others who may have an official interest therein.

This coordinating process usually requires from one to three months to produce an estimate, although some have been produced on a "crash"

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basis in as little as 24 hours. The present system of producing national estimates seems as good as can be evolved under present conditions, in that it results in the production of a single best agreed estimate based on all the intelligence which can be brought together by cooperative procedures. It is obvious that in the case of the most urgent "crash" estimates there is not the same opportunity for wide participation and lengthy discussion of divergent views as marks the normal estimate. Even in situations of urgency, a national estimate requires that a strong effort be made to obtain optimum coordination beyond mere CIA participation. All in all, the task force is of the opinion that the ONE and the IAC are doing a remarkably good job in producing national estimates under present conditions and with the material available. Unfortunately, there are large gaps in the intelligence information available; and, therefore, it must be concluded that the national estimates now being produced by the IAC are not entirely adequate for the purposes for which they are intended.

#### Responsibilities and Functions of DD/S Area

The responsibilities and functions of the Deputy Director (Support) (DD/S) are grouped as one of the three major areas of responsibility of the CIA. The mission of this support area is to provide administrative and logistic support for the CIA as a whole, and for the DD/I and DD/P Areas of the Agency. Organizationally, it is comprised of a headquarters and staff and the following six functional operating offices:

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Communications  
Comptroller  
Logistics  
Training  
Personnel  
Security

These offices of the DD/S Area perform two general types of administrative and logistic services:

a. Those normally referred to as housekeeping or headquarters services, which are accomplished for all of the CIA located in Washington, and which comprise only [ ] of their time and effort 25X1 and

b. Those normally referred to as operational or field services, 25X1A which are accomplished for the DD/P Area, and which comprise [ ]

[ ] their time and effort. In theory, this grouping of all administrative and logistic services in a single area of responsibility is conducive to a reduction in administrative and logistic overhead, and more efficient and economical operations. However, it is the view of the task force that the consolidation of these services into a single support area tends to tie together more closely than is desirable the operations of the DD/I and DD/P Areas with the inevitable continued neglect of the statutory intelligence duties of the Agency. The task force, therefore, is of the opinion that the administrative and logistic services of the Agency should be reorganized to make the area of responsibility of each operating deputy director administratively and logistically self-supporting. Moreover, a comprehensive and thorough management survey of the Agency following the suggested reorganization is requisite to a full awareness of the DCI of the status of his Agency administration; and the report of

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such a management survey must be brought to the personal attention of the DCI or to a true Executive Director of the Agency, in order to further improve Agency management.

#### Office of Communications

The system is engineered on the basis of utilizing to the maximum services obtainable from existing worldwide U.S. military networks and existing civil communication facilities. CIA supplements these services by operating its own communication centers at key locations and with the necessary special-purpose radio links in areas where there are no existing facilities.

#### Office of Comptroller

The CIA appears to have no difficult budget or fiscal problems. It seemingly is able to obtain from Congress the approximate funds estimated by the CIA and the Bureau of the Budget to carry on the normal responsibilities, functions, and operations of the Agency, plus a reserve fund under the control of the Director of the Bureau of the Budget, which heretofore has been adequate for the performance by the CIA of any unplanned operations, responsibilities, and functions which may be directed by the President or the NSC. Also, there are in effect adequate audit control procedures over expenditures of either vouchered or unvouchered funds.

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Office of Logistics

The Office of Logistics is responsible for procurement, storage, distribution, and accountability of supplies; for transportation of personnel, equipment, and supplies; for the coordination and compilation of forecasts of requirements for Agency logistical support; and for providing selected administrative (housekeeping) services for the Agency. The great majority of its time and effort is devoted to support of the DD/P Area. Logistic support of the DD/P Area has been made more difficult than necessary because of the failure of the DD/P to advise the Logistics Office of its operational plans or to permit it to participate in the advance planning phases of each important operation. This, in turn, often results in piece-meal procurement and other sporadic efforts to render the required logistic support. Also, the tasks of the Logistics Office are made more difficult, expensive, and less efficient by the security policies of the Agency and by the multitude and temporary-type of buildings in which the CIA is housed in the Washington area. Currently, the headquarters of CIA is housed in 34 widely dispersed buildings, many of which are temporary-type structures. This creates a major security problem and necessitates the employment of security guards at an annual estimated cost  over that required if the CIA were located in a single, well-designed building. Other types of estimated excess costs, over and above those which would be required if the headquarters were located in a single, well-designed building, are as follows:

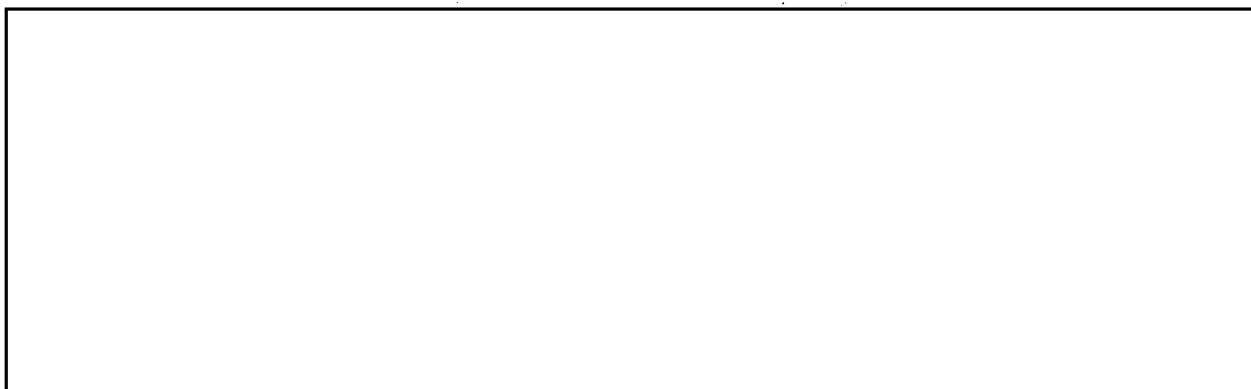
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While Public Law 155 (82d Cong., September 28, 1951) authorized the construction of a CIA headquarters building capable of housing all of the headquarters personnel and activities at a cost of \$38 million, no funds for that purpose have been appropriated by the Congress. The task force strongly recommends that efforts be continued to procure the appropriation of such funds as may be necessary for this purpose (latest estimate about

[redacted], as the savings indicated above in the amount of almost

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In this

connection, the task force is of the opinion that it is neither feasible nor desirable to move any part of the Agency to a location far removed from Washington, and that preferably the CIA should be housed at a single location. It is essential that the DCI be located close enough to be available immediately to the President and other members of the Security Council. Also, there are from 50 to 100 of CIA's senior staff officers who must be in close contact daily with personnel of other agencies, particularly of the Departments of State and Defense, and who must also be available immediately to the DCI, as well as to those components of

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the Agency under their supervision, and upon which they are dependent for staff advice and operational support. Hence, the necessity for such close and expeditious coordination within the CIA and within the entire intelligence community dictates that the entire agency (CIA) be housed preferably in one building and at a location as near to the seat of Government as the overall defense planning permits.

#### Office of Training

The Office of Training is charged with the development, direction, and conduct of CIA training programs, with the determination of requirements for CIA training facilities within the United States, and with providing for CIA participation in training programs at external training facilities, public and private, in the United States and overseas under the provisions of Public Law 110. To carry out its functions, the Office of Training operates a field training base and four training schools: Basic, Intelligence, Operations, and Language Area and External. Personal observation during visits to these training facilities confirms the opinion of the task force that the Office of Training is performing a worthwhile service by reasonably efficient and economical methods and procedures, considering the special circumstances under which it is required to operate.

#### Office of Personnel

The Office of Personnel is responsible for the administration and operation of a personnel management program for the CIA. Currently, the personnel strength of the Agency is distributed, as follows:

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The sensitive nature of the CIA's activities and the security measures imposed contribute greatly to recruitment problems. The prospective field of applicants is curtailed by basic requirements preliminary to serious consideration for employment. The completion of personnel security checks involving such a long period of time (3 to 6 months) results in the loss of many applicants who accept other employment. Largely because of lack of publicity imposed by security restrictions, the recruitment of civilian personnel has been very difficult, and it has required the establishment of strategically located recruiting field offices in various large population centers of the United States.

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It is also

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reported that, in some instances, excessive and unnecessary hardships have been imposed on new applicants for employment, by reason of the Agency's final failure to accomplish employment even after the applicant has severed his home ties and gone to considerable expense to come to Washington under the belief that he has been accepted for employment, only to find within the first few months that for some reason, security or otherwise, he is relieved from employment.

The CIA for the past few years has been exploring the possibility of establishing a career service for its employees; and on June 25, 1954, regulations were issued for the establishment of such a career service. This program is in its infancy. Areas of career service have been designated and a campaign has been initiated to encourage employee participation; but no appreciable progress has been made in the establishment of ladders of progress by means of which each career employee will be able to select his career field and plan a training and assignment program which will qualify him or her for ever increasing positions of responsibility in the Agency. It is too early to evaluate the program's effectiveness, although some of the more basic principles appear to be well conceived.

Notwithstanding certain personnel agreements and tentative steps that have been taken, no real war plans have been developed whereby the Agency will be able to determine requirements of, and to acquire and retain against military competition the necessary personnel to assure continuity of its own operations in time of war.

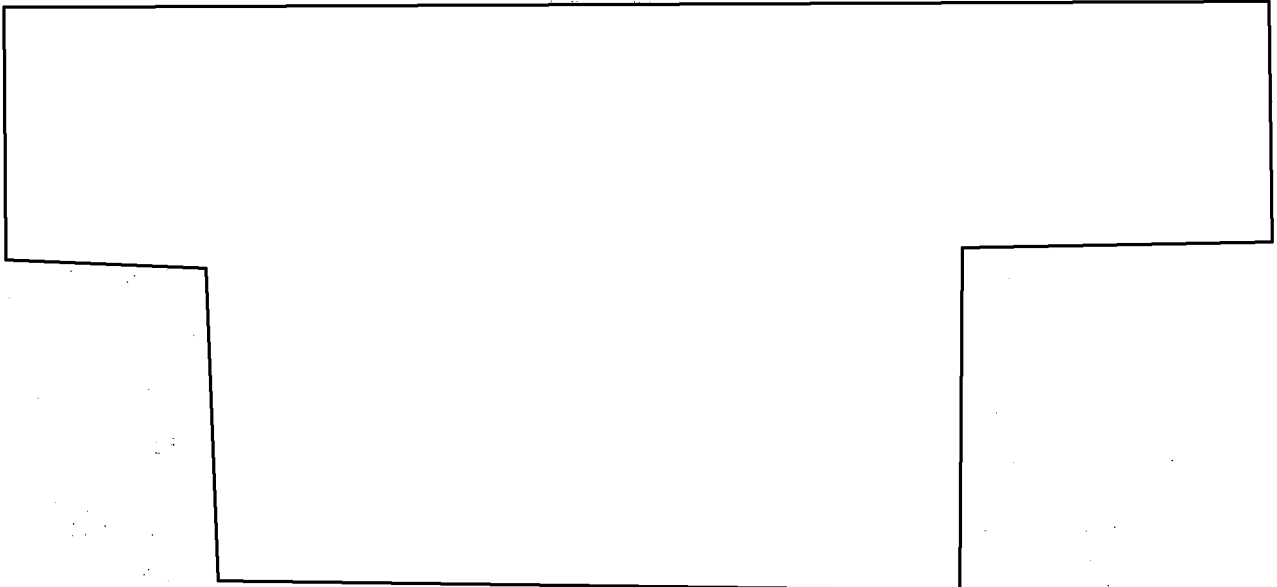
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The CIA appears to have an adequate number of civil-service super grades and high grades, and the average Agency GS grade is 8.7, apportioned fairly evenly among the various areas of responsibility. The task force believes that the civil-service grade structure of the CIA will compare favorably with that of any other Government agency of like size and importance. In fact, the average grade may be as much as one grade higher than that of other comparable agencies. Careful consideration must be given to this situation to insure that charges of unduly high pay and perquisites to CIA employees will not react unfavorably on the Agency personnel program.

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The detail of active duty military personnel to duty with the CIA is accomplished in accordance with an agreement involving the Department of Defense, the Bureau of the Budget, and the CIA, dated November 26, 1952, whereby the CIA will reimburse the Department of Defense for all officer personnel assigned and/or detailed to the CIA for all activities other than paramilitary, but no reimbursement will be made for enlisted

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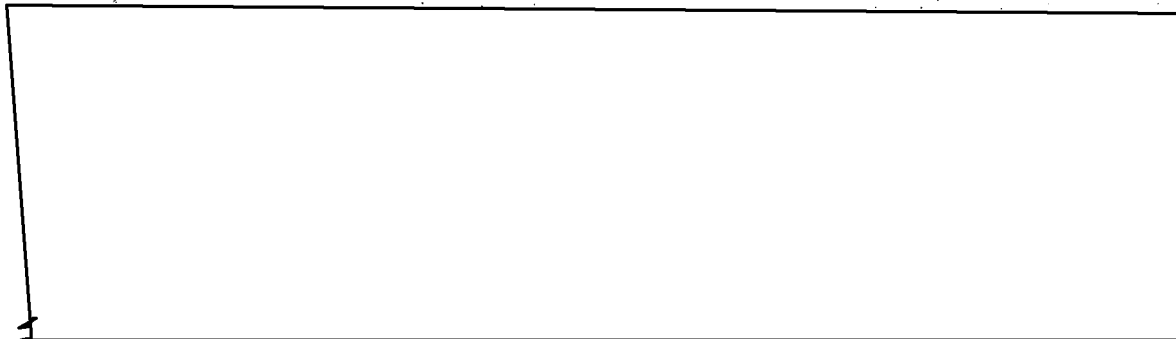
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From the foregoing, it will be noted that on the whole active-duty military personnel are reasonably content with their job assignments and worker relationships while on duty in the CIA. There are, of course, the customary number of dissatisfied persons, the reasons for which may be either personal or related to the duty assignment. The survey teams of the CIA report that of the military personnel observed during this survey, all appeared to be assigned to a position commensurate with their grade and experience, and none had any complaints to make concerning their assignment with the CIA. Appropriate officials of the CIA report that the assignment and/or detail of active-duty military personnel to the CIA is essential for the proper, efficient, and economical performance of the CIA's responsibilities as a coordinator of the production of national intelligence.

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Currently, as of December 31, 1954, there were a total  retired officers on duty in the Agency who were retired from the military services by reason of wounds received in action, against whose employment there are no legal restrictions. The employees concerned can retain both their retired and civil-service pay. In addition, there were  retired officers on duty who were retired from the military services because of service-connected disabilities, against whose employment there

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are no legal restrictions except that each retired officer employee may receive and retain only the pay of his retired position or the civil-service position, but not both, as in the case of an officer retired for wounds received in action. Also, there was a total of [ ] retired officers employed by the CIA under the provisions of Public Law 59, 82d Congress, which permits the CIA to employ not more than fifteen (15) retired commissioned officers of the armed services without regard to the restrictions on federal salary imposed by Section 2 of the Act of July 31, 1894 (28 Stat. 205), as amended (5 USCA 62). Thus, there are a total of only [ ] retired officers of the military services employed by the CIA as of December 31, 1954, out of the hundreds and perhaps thousands of such retired officers who are still mentally and physically qualified to perform outstanding services for the CIA for a period of five to fifteen years after retirement. Apparently, there exists no planned firm policy to exploit, either in peace or war, this source of capable personnel, most of whom possess to a high degree the qualifications and experience required for the efficient performance of the CIA's statutory responsibilities. It is the view of the task force that the lack of a policy to utilize to the fullest this type of personnel in both peace and war, is shortsighted and unrealistic, in that in time of war it is a foregone conclusion that the great majority of all male civilian employees of service age, and physical and mental competence, then employed by the CIA, will most probably enter one or the other of the military services, principally through personal choice, or by orders of the Government. In this event, the CIA may be compelled to rely on retired military personnel,

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especially for sedentary types of positions, without having had an opportunity to incorporate that type of personnel into the Agency over a period of years, and thus build up through them a continuity of experience which will serve to counteract and lessen the effects of any wide-scale losses of key civilian employees in time of war. The task force, therefore, urges the maximum utilization by the CIA of retired military personnel who possess the requisite competence; and recommends that Public Law 53, 82d Congress, be amended by changing the aforementioned words, "not more than fifteen," contained in that law, to read, "any," thus permitting the employment by the CIA under that law of an unlimited number of retired officers or warrant officers of the military services.

#### Office of Security

The mission of the Office of Security is to assist the DCI in carrying out those provisions of Section 102(d)(3) of the National Security Act of 1947, wherein it is stated, "under the direction of the National Security Council the Director of Central Intelligence shall be responsible for protecting intelligence sources and methods," and as amplified by the appropriate NSC and DCI directives and implemented by

Agency Regulations. Under these authorities and for this purpose, the Office of Security is charged with the preparation and execution of the Agency's security program, and with the performance of security inspections.

Personal observation during this survey of the operation of the Agency's security program convinces the task force that the system employed by the CIA includes those methods and procedures which, within reasonable limits, will disclose the existence of security risks, prevent their employment by



the Agency, or accomplish their separation from the Agency if discovered after employment. Also, although the DCI possesses dictatorial statutory authority to discharge an employee of the CIA for any reason, including security risk, he (the DCI) has established procedures paralleling those of other Government agencies which are designed to safeguard the interests of both the Government and the unacceptable employee.

The CIA security program is more restrictive than that encountered in the normal Government agency; but there exists no system for periodic security rechecks at stated time intervals. Certain aspects of these greater restrictions must be considered as fully justified by the nature of the CIA mission, and any lessening of such restrictions would be unwarranted. However, there is a need for the establishment of a system which will assure automatic security rechecks at not to exceed each five-year period of time. There are also certain security practices in operation which should be evaluated both against the interference with operational effectiveness, and also against the basic American philosophies of individual dignity and freedom. Also, the program for security of information has been widely reported as a serious interference with the exchange of information and the maximum utilization of information of a highly sensitive (Eyes Only or Special Handling) type.

#### Special Statutory Authority Granted CIA

The Central Intelligence Agency Act of 1949, as amended, the National Security Act of 1947, as amended, the Immigration and Nationality Act of 1952, the Executive Pay Bill of 1949, the Classification Act of 1949, the Federal Property and Administrative Services Act of 1949, and the Internal

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Security Act of 1950, all grant to the DCI and the CIA certain special rights, privileges, and authority not accorded other agencies and departments of the Government, in the fields of administration and logistics, the more important of which are as follows:

a. The Central Intelligence Agency Act of 1949, as amended, extends to the CIA certain authority in the Armed Services Procurement Act of 1947 relating to negotiation of purchases and contracts for supply without advertising under certain conditions; provides for the assignment or detail of any officer or employee of the Agency for special instruction, research, or training at or with domestic or foreign public or private institutions, and permits the DCI to pay the tuition and other expenses for such special instruction, research, or training; provides for the payment of travel allowances and related expenses of Agency personnel assigned to permanent duty stations outside the United States, and under certain circumstances similar expenses for an employee's family and for the cost of storing and shipping household effects; provides for the furnishing of medical and hospital services to overseas employees; provides for the payment of the cost of preparing and transporting the remains of an employee or members of his family who may die abroad; provides for overseas allowances similar to those given to foreign service personnel; provides broad authority for transfers between the CIA and other Government departments and agencies of such sums as may be approved by the Bureau of the Budget; provides authority for exchange of funds without regard to Section 3651 of the Revised Statutes (31 USC 543); authorizes the assignment of personnel from other Government agencies to the CIA and the reimbursement of those agencies for such services; authorizes couriers and

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guards to carry firearms to protect confidential documents and materials which are in transport; exempts the CIA from certain statutory restrictions on the amount that can be paid for rent of quarters and the amount that can be expended for alterations; permits the CIA to employ and pay not more than fifteen retired commissioned or warrant officers of a particular category of the armed services; exempts the CIA from any requirements of law requiring publication or disclosure of the organization, functions, names, official titles, salaries, or number of personnel employed by the Agency; provides for the entry for permanent residence in the United States of up to 100 aliens a year without regard to any laws and regulations to the contrary; and provides for the expenditure of funds for certain purposes without regard to requirements of existing law or Comptroller General decisions which specify that such expenditures are not permissible unless authorized by law; and for the expenditure of certain funds solely on the certificate of the DCI.

b. The National Security Act of 1947, as amended, authorizes the DCI, at his discretion, to terminate the employment of any officer or employee of the CIA, notwithstanding the provisions of any other law to the contrary.

c. The Immigration and Nationality Act of 1952 provides that this Act does not alter or amend Section 8 of the Central Intelligence Agency Act of 1949, granting the DCI power to secure the admission of 100 aliens for permanent residence in the United States.

d. The Executive Pay Bill of 1949 increases the basic pay of the DCI from \$14,000 to \$16,000 per year; and it gives statutory recognition to the Office of Deputy Director of Central Intelligence and establishes the basic compensation of such office at \$14,000 per year.

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e. The Classification Act of 1949 exempts the CIA from the coverage of the Act.

f. The Federal Property and Administrative Services Act of 1949 provides that no authority of the Central Intelligence Agency will be impaired or affected by the enactment of this Act.

g. The Internal Security Act of 1950 authorizes the DCI to exempt certain persons from registering as agents of a foreign principal or foreign propagandists.

The task force is of the opinion that the current provisions of the foregoing legislation are sound and necessary for the efficient performance by the CIA of its duties, functions, and responsibilities, many of which are of a highly esoteric nature that could not possibly be accomplished if subjected to the open scrutiny of transactions that is normally required of other Government departments and agencies; and that in extension of the special rights, privileges, and authority granted therein, these laws should be further amended, as follows:

a. Amend the Central Intelligence Agency Act of 1949 to provide -

(1) Authority for the employment by the CIA of "any" (instead of only "fifteen," as is now authorized) retired officers or warrant officers of the armed services.

(2) Additional medical and hospitalization benefits and services to the dependents of CIA employees when stationed overseas.

COMMENT: Although Section 5 of the CIA Act of 1949 provides certain medical and hospital care for employees, there is no provision therein for providing at Government expense

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certain minimum medical care and hospitalization benefits to the dependents of employees when stationed outside the United States, especially in isolated areas of the world. These CIA employee dependents should be given medical and hospital benefits similar to those accorded members of the Foreign Service and their dependents.

(3) Statutory leave benefits, and accumulations thereof,  
to employees of the CIA as are now authorized to members of the  
Foreign Service.

COMMENT: Current accumulations of statutory annual leave are not sufficient to provide adequate home leave between tours of duty overseas and still permit adequate annual leave to employees during their tours abroad. CIA employees should be given authority to accumulate one week of home leave for each four months of duty outside the United States.

b. Amend the Executive Pay Bill of 1949 to increase the pay of  
the Director of Central Intelligence to a current annual salary equal to  
that enjoyed by the Deputy Secretary of the Department of Defense (currently  
\$20,800); to increase the pay of the Deputy Director of Central Intelligence  
to a current annual salary equal to that enjoyed by under secretaries of  
executive departments (currently \$17,500); to provide for an Executive  
Director of Central Intelligence at an annual salary equal to that enjoyed  
by the present incumbent of the position of Director of Central Intelligence  
(currently \$16,000); and to provide for not to exceed three operating  
deputy directors of the three major areas of responsibility of the Agency

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(now known as Deputy Directors of GS Grade 18 at an annual salary of \$14,800) at an annual salary for each equal to that now enjoyed by the present Director of Central Intelligence (currently \$16,000).

COMMENT: At the present time, the salaries being paid to the DCI and the DDCI are hardly in keeping with the dignity and requirements of their respective positions. The top civil-service grade employee receives pay at the annual rate of \$14,800, which is only \$1,200 less than that received by the DCI, and which is \$800 in excess of the pay received by the DDCI. Also, the pay of the proposed position of Executive Director and that of the operating deputy director of each large area of responsibility, such as the Deputy Director of Intelligence Production, the Deputy Director of Secret Intelligence, and the Deputy Director of Cold War Functions, should be made sufficiently attractive to retain persons of the highest qualifications for those positions.

The task force also is of the opinion that legislation should be sought which will provide for the appropriation of the necessary funds to construct adequate headquarters housing facilities for the CIA, as outlined in this summary of report.

#### Summary of Conclusions

That the provisions of Section 102 of the National Security Act of 1947, as amended, are adequate for the purposes intended, and no changes therein are necessary concerning the position of the CIA as an agency operating under the direct control and guidance of the National Security Council for the purpose of coordinating the production of intelligence

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affecting the national security or concerning the concept of the DCI's individual responsibility for the giving of intelligence advice to the NSC. (pp. 13-20)

That the DCI, as currently supported by the IAC and the intelligence agencies which they represent, is not carrying out in a satisfactory manner his statutory intelligence-type functions, in that the DCI and the IAC are not producing an adequate quality of coordinated national intelligence, as evidenced by the post-mortem analysis of national estimates which reveal many gaps in vital intelligence knowledge; and that this failure is due primarily to the lack of raw intelligence information from sources within the Soviet bloc. (pp. 33-35, 49)

That all NSC, IAC, and DCI intelligence directives should be reviewed by the IAC and others concerned, with a view to establishing clearer areas of responsibility and to allocating intelligence tasks in each such area which will be in accord with each department or agency's capability, interest, and paramount national responsibilities. (pp. 24, 25)

The majority of the task force is of the opinion that the "covert intelligence" functions and the "cold-war" functions of the current DD/P area should be separated and each assigned to the exclusive jurisdictional control of a separate operating deputy director, the area of responsibility of each of whom should be made administratively and logistically self-supporting. However, a minority of the task force members feel that all "covert intelligence" and "cold-war" operations should be under both the staff and operating control of a single operating deputy director, whose area of responsibility should be administratively and logistically self-supporting, although such operating deputy director should have two deputy directors operating at the staff level, dealing separately and exclusively

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with "covert intelligence" and with "cold-war" operations, respectively.

(pp. 34, 35, 50)

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That the organization and allocation of internal functions of the remainder of the CIA should be revised to reflect an organization designed to carry out the following functions with regard to the coordination of the production of national intelligence (pp. 35, 36, 49, 50):

- a. The maintenance of a central reference and liaison service;
- b. The collection, as a matter of common concern, of overt types of information from sources such as Government contacts, non-government contacts,  certain types of foreign materials, foreign documents, and foreign radio broadcasts;
- c. The performance, as a matter of common concern, of certain economic, geographic, and scientific research functions;
- d. The production of current intelligence for CIA use;
- e. The coordination of the production, as a matter of common concern, of basic intelligence and national intelligence estimates; and
- f. The performance of certain headquarters services, such as personnel, administrative and logistic functions, relating to the support of the CIA as a whole.

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That the Director of Central Intelligence should reestablish the Office of the Executive Director of the Agency, to relieve himself of the necessity of having to devote a large part of his time to the solution of the many day-to-day administrative and operational problems of the Agency (pp. 31, 32).

That the status of each of the three major operating deputy directors of the Agency should be increased from that of a civil-service appointee (now Grade GS-18) to that of a Public Law Presidential appointee at an annual salary of \$16,000 (pp. 34, 35, 66, 67).

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That the operating deputy director charged with the responsibility of conducting the "cold-war" functions of the Agency should be designated as the representative of the Director of Central Intelligence on the Operations Coordinating Board, in order that the DCI may be able to devote a greater share of his time to the performance of the Agency's intelligence-type functions. (p. 34)

That there is a need for the assignment at appropriate foreign U.S. diplomatic stations of full-time scientific intelligence attaches. (p. 42)

That the coordination of certain types of scientific intelligence, especially electronic, is not satisfactory; and that the Scientific Estimates Committee has been unsuccessful in resolving differences of opinion in certain scientific fields concerning the distinction between intelligence relating to scientific research and basic resources, and that relating to the present production and use of weapons by foreign nations. (p. 41)

That the conduct of scientific intelligence research is handicapped by the failure of the State Department to carry out adequately its allocated collection functions. (p. 42)

That the coordination of the production of the National Intelligence Surveys is one of the most important functions of the CIA, yet the element of the CIA responsible for the performance of that function is relegated to a third-level position in the Office of Research and Reports, when its importance warrants separate office status. (pp. 44-46)

That the production of National Intelligence Estimates is accomplished by the coordinated efforts of all members of the IAC. However, such estimates are not entirely adequate because of the deficiencies in available

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pertinent information regarding military intelligence on the Soviet bloc; movements and dispositions of Soviet and satellite armed forces, including Communist China; production of standardized air target materials on vital targets; economic intelligence on the Soviet bloc; commodity categories as they affect trade controls; scientific and technical capabilities; basic intelligence (NIS) - only about 40 percent complete; reporting collections by State Department; procurement of foreign language documents; coordination of ELINT effort in the collection of information; and actual military capabilities or objectives of Russia in atomic warfare. (p. 49)

That the administrative and logistic functions of the CIA are more costly and less efficient because of the security limitations imposed and because of the lack of adequate, more compact housing facilities. (pp. 50, 52)

That the CIA has no appreciable personnel problems other than those imposed by security restrictions, and the normal administrative problems connected with this type of activity such as the recruitment of top-level professional and other highly skilled personnel. The Agency is staffed reasonably well for current needs; its monthly turnover is modest; and its administrative machinery is adequate to eliminate undesirable employees because of inefficiency. Its inherent administrative problems are alleviated to some extent by the fact that the average employee of the Agency holds a grade equal to or possibly one grade higher than employees in like positions in other Government agencies, a fact which requires careful reconsideration as to its propriety in the overall Federal personnel program. (pp. 54-57)

That there is need for the development of a comprehensive plan for the procurement and utilization of personnel on a continuing basis in competition with the inevitable demands of the military services in

TOP SECRET

That the security program in existence in the CIA is adequate for the purposes intended. However, it needs reviewing for operational and administrative effectiveness, and in its relationship to fundamental American philosophies regarding the dignity and freedom of the individual; and there is a need for the establishment of a system which will assure automatic security rechecks at not to exceed each five-year period of time. (pp. 61,62)

That the special rights, privileges, and authority granted to the CIA in the Central Intelligence Agency Act of 1949, as amended, and in certain other laws and regulations are sound and necessary for the efficient performance by the CIA of its duties, functions, and responsibilities.

(p. 65)

That certain legislation or change in existing legislation is required, as specified in the recommendations below. (pp. 65-67)

#### Summary of Recommendations

The majority of the task force recommends that the "covert intelligence" functions and the "cold-war" functions of the current DD/P area of the CIA each be assigned to the exclusive jurisdictional control of a separate operating deputy director, the area of responsibility of each of whom shall be made administratively and logistically self-supporting. However, a minority of the members of the task force feel that both "covert intelligence" and "cold-war" operations should be under the staff and operating control of a single operating deputy director, whose area of responsibility shall be administratively and logistically self-supporting, although such operating deputy director should have two deputy directors operating at the staff level, dealing separately and exclusively with "covert intelligence," and with "cold-war" operations, respectively.

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That the remainder of the CIA be reorganized with a Director, a Deputy Director, an Executive Director, a general secretariat, necessary staff sections and offices of administrative and logistic services, and an operating Deputy Director of Intelligence with seven operating offices thereunder, as follows:

- Office of Reference and Liaison
- Office of Collection
- Office of Scientific Research
- Office of Economic and Geographic Research
- Office of Current Intelligence
- Office of Basic Intelligence
- Office of National Estimates

That the Director of Central Intelligence reestablish the Office of the Executive Director of the Agency, to relieve himself of the necessity of having to devote a large part of his time to the solution of the many daily administrative and minor operational problems of the Agency.

That the status of the three major operating deputy directors be changed from that of a civil-service appointee (now Grade GS-18) to that of a Public Law Presidential appointee at an annual salary of \$16,000.

That the operating deputy director, charged with the responsibility of conducting the "cold-war" functions of the Agency, be designated as the representative of the Director of Central Intelligence on the Operations Coordinating Board, in order that the DCI may be able to devote a greater share of his time to the performance of the Agency's intelligence functions.

That a comprehensive internal management survey of the Agency be conducted by the CIA within a year following the reorganization of the Agency as recommended in this report.

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That all NSC, IAC, and DCI intelligence directives be reviewed by the IAC and others concerned, with a view to establishing clearer areas of responsibility and to allocating intelligence tasks in each such area which will be in accord with each department or agency's capability, interest, and paramount national responsibilities.

That the responsibility for the procurement of foreign publications and for the collection of scientific intelligence, now assigned to the Department of State, be assigned to the CIA; and that the CIA be authorized to appoint such scientific attaches as may be necessary, as members of appropriate foreign diplomatic missions.

That the Scientific Estimates Committee be abolished; and that in lieu thereof there be established under the IAC a Scientific Intelligence Committee with such working subcommittees as may be necessary to insure the full coordination of community-wide scientific intelligence effort.

That the CIA security program be studied and reevaluated against both operational and administrative effectiveness; and with a view to the establishment of a system which will assure automatic security rechecks at not to exceed each five-year period.

That the Congress be requested to appropriate as soon as practicable such funds as may be necessary to construct adequate CIA housing facilities in or near Washington, D.C.

That the Central Intelligence Agency Act of 1949 be amended to authorize the employment by the CIA of "any" (instead of only  as is now authorized) retired officers or warrant officers of the armed services; to authorize additional medical and hospital benefits and services to the dependents of CIA employees when stationed overseas,

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Foreign Service; and to authorize leave benefits, and accumulations thereof, to employees of the CIA to the same extent as now authorized to members of the Foreign Service.

That the Executive Pay Bill of 1949 be amended to increase the pay status of the Director and Deputy Director to the sums \$20,<sup>8</sup>000 and \$17,500 respectively; and to authorize the appointment of an Executive Director of CIA at an annual salary of \$16,000.

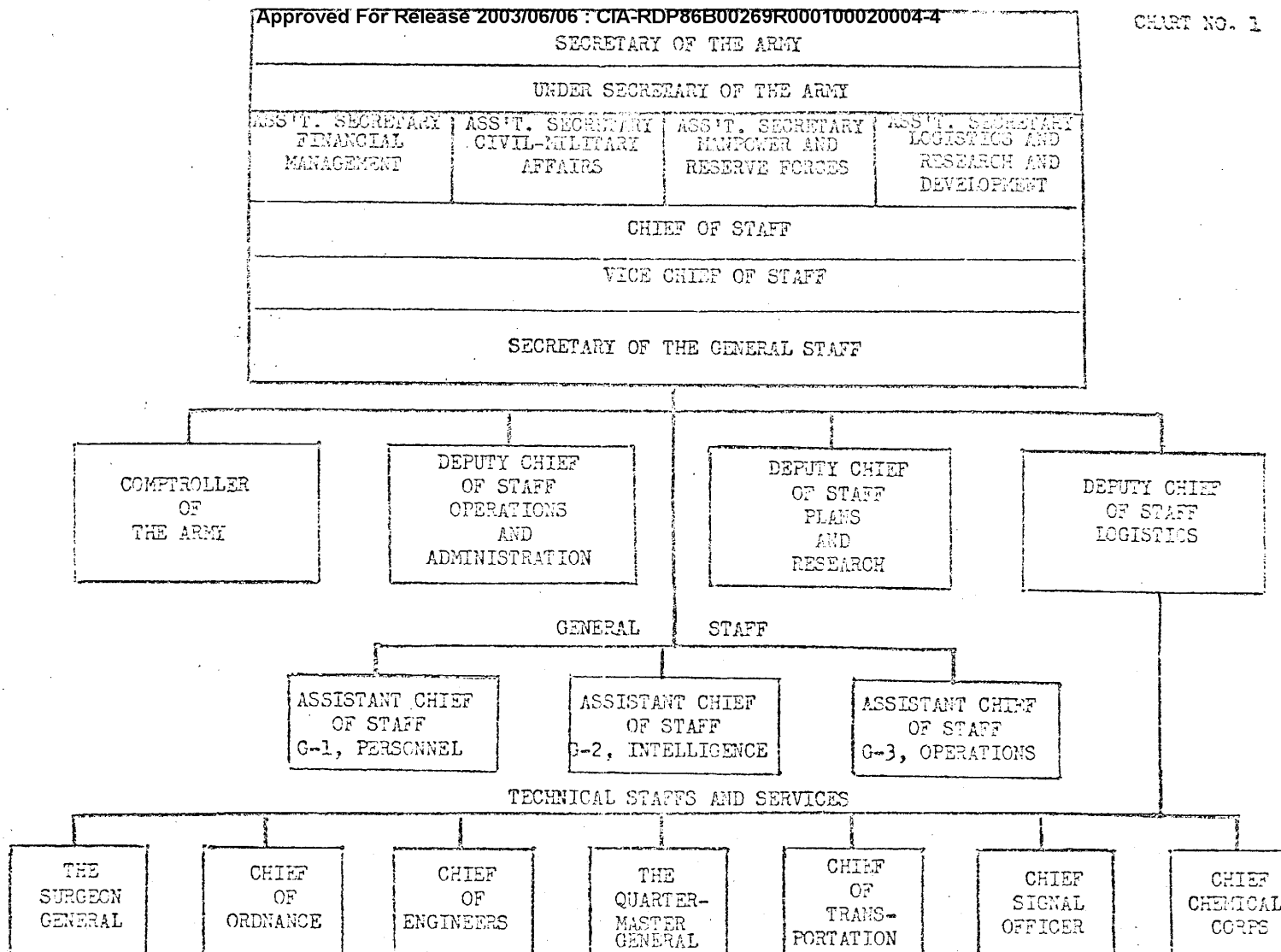
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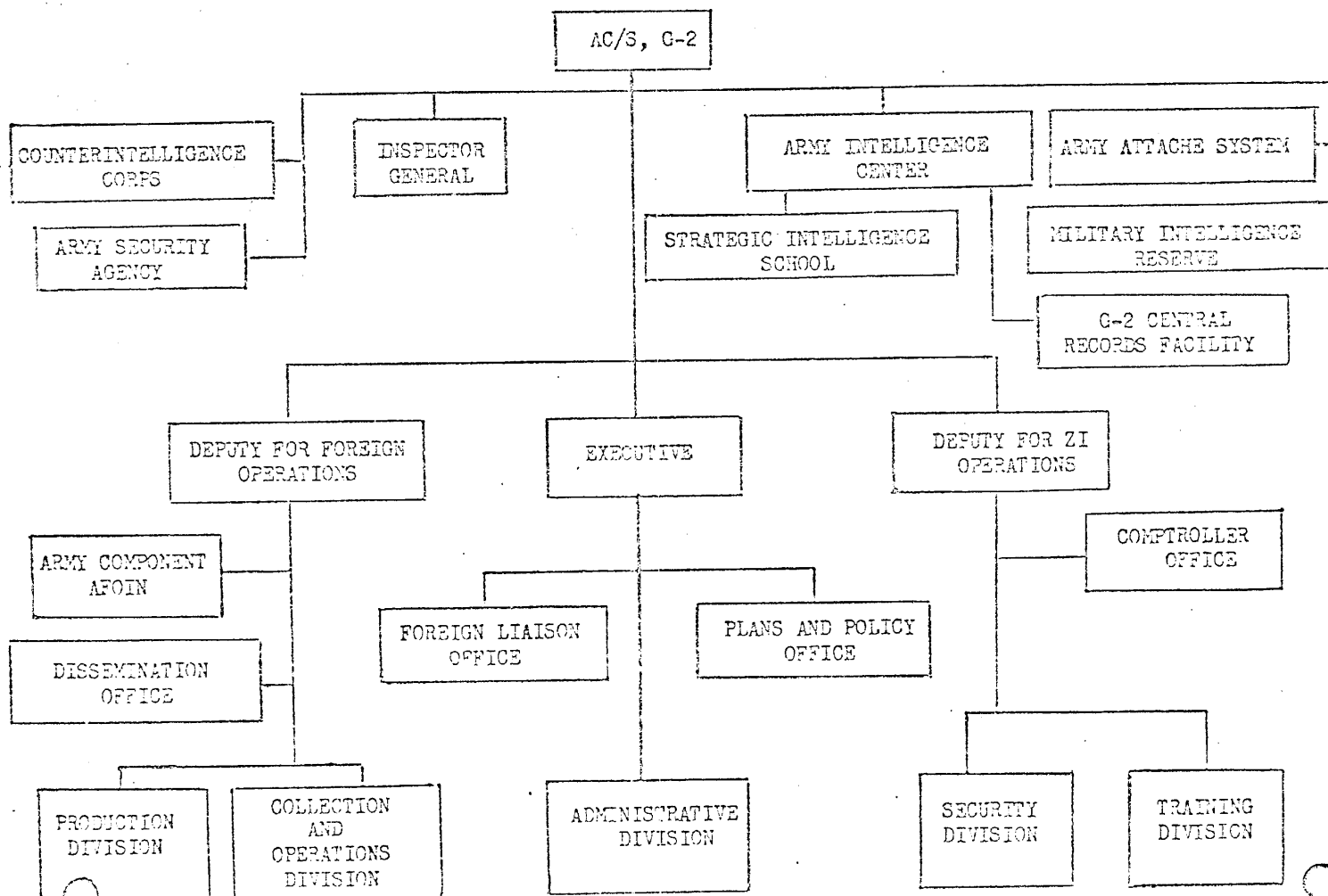
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DEPARTMENT OF THE ARMY - OFFICE, ASSISTANT CHIEF OF STAFF, G-2



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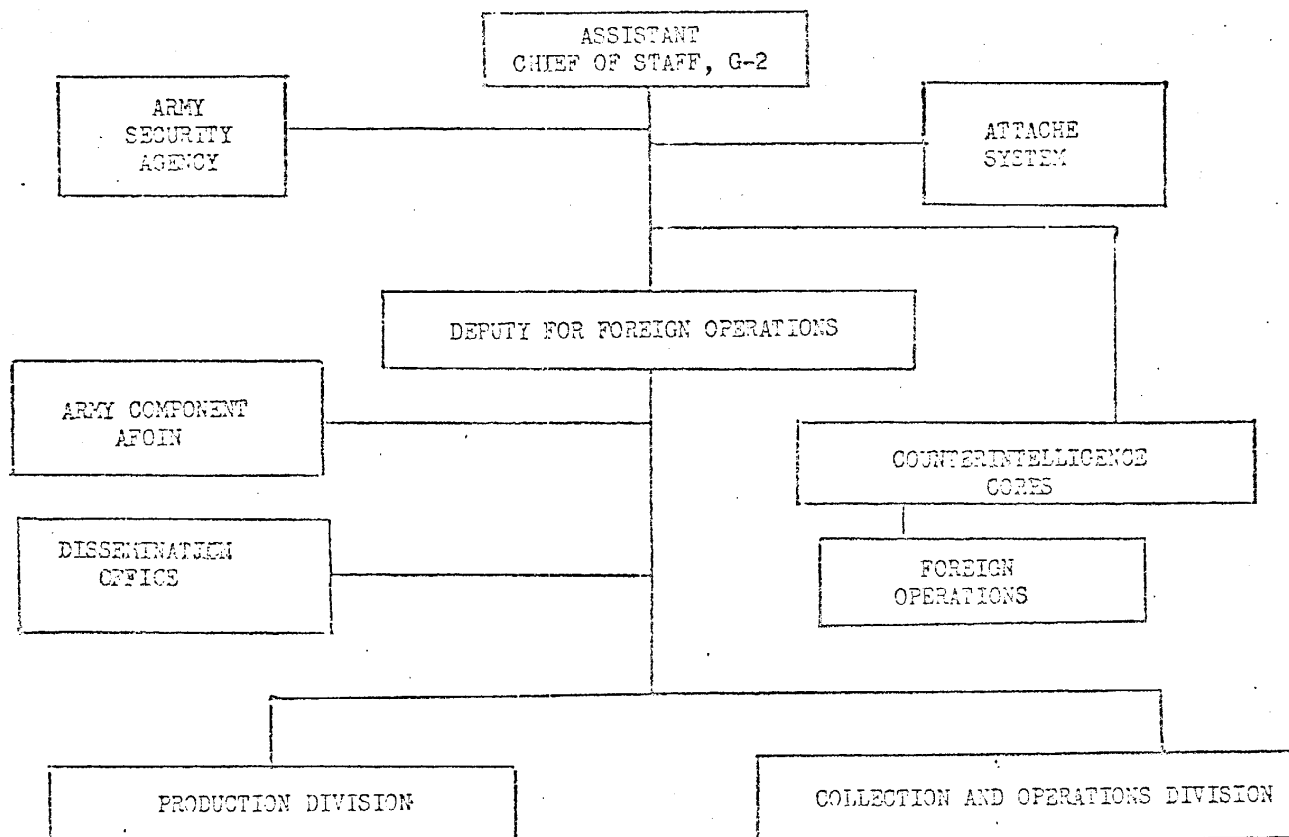
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OFFICE OF ASSISTANT CHIEF OF STAFF, G-2

POSITIVE INTELLIGENCE ELEMENT



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Personnel

All military assignments to G-2 are made by The Adjutant General (TAG) in a similar manner as other assignments. There are, however, within G-2 certain key spaces - 38 in number - in which G-2 has special interest. In these instances, nominations are made by TAG for selection because of specific individual requirements.

The quality of personnel, with few minor exceptions, is considered of an exceptionally high order. Based on personal observation of all officers contacted, they are alert and fully conversant with their jobs. The personnel assigned in the Attache System is more highly selected, in a sense, since there are certain specific qualifications which must be met.

The breakdown of the officer personnel assigned in G-2 indicates a rank distribution, as of December 16, 1954, as follows:

	<u>Authorized</u>	<u>Actual</u>
General Officers	3	3
Colonels	34	34
Lieutenant Colonels	109	120
Majors	117	125
Captains	78	64
Lieutenants	0	13

The large number in the ranks above captain is due to the desirability of assigning officers to G-2 who have had field experience. It is

considered that officers in the junior grades do not have sufficient experience to be of real value in such an assignment. Actually, while the count shows thirteen lieutenants, the table of organization does not include any billets in this rank in G-2. Those currently assigned are filling existing vacancies for captains and majors, and are used primarily in administrative jobs. G-2 itself is not a training activity for intelligence officers, since G-2's functions are confined principally to policy and planning. Officers assigned to G-2 do undergo a period of training which is directed to preparing them for G-2 assignment rather than for performing operationally.

There does not appear to be any general resentment toward assignment to intelligence duties. This may be true only in G-2 itself, but there is no indication of any servicewide feeling of antipathy. Such feeling as does exist is considered to be a hangover from wartime operations when many assignments were made to intelligence duties solely on the basis of language capabilities. The majority so assigned had no other qualifications, yet the demand for translators and interrogators superseded other considerations.

The question of adequate housing facilities does not enter this picture, except in some isolated cases in the Attache System.

Once personnel have been engaged in intelligence activities, their personnel records are marked to indicate such service. They can be readily identified by TAG and can be made available when necessary so that they are not lost to the system. Most senior officers do not desire to lose attachment to their basic branches, but do feel that an intelligence assignment is beneficial to their career. It is the current policy to



rotate officers in and out of intelligence duties, as it is felt the field experience in their own branch so acquired makes them better qualified for such duty.

There is a general dearth in the intelligence community of civilian employees qualified to perform the vital functions of intelligence analysts. Necessary qualifications for these jobs require extensive background experience in related subjects. The usual source for this type of personnel is the teaching profession, and only certain areas here provide the essential background in research and basic knowledge. While G-2 currently employs a considerable number of civilians in this category (approximately 150 as analysts or in related functions), there is a constant demand for more, as all the intelligence agencies within the community have a continuing need for their services. This condition of short supply and heavy demand has led to considerable shifting about by this class of employee, as higher paying grades for which they can qualify become available in other agencies. There is no evidence of the presence of procreancy in these cases. The opening up of better jobs is a matter of common knowledge, and the analysts initiate the change themselves. If there was possibility of improving the grade structure, G-2 could more readily achieve a greater permanency of personnel.

The establishment of a military intelligence corps for career purposes does not appear to meet with any degree of approval. The general feeling is that, as mentioned above, assignment outside of intelligence is highly desirable in order to provide experience in the practical use of intelligence and to impress the individual with the importance of adequate and timely information. There is an implied fear of such a corps developing

into an "ivory tower" group which would not generate useful or realistic intelligence and thus completely fail to meet the Army's requirements.

#### Language Training Program

Language training for the Attache System and the Foreign Area Specialist Training (FAST) program is conducted at the Army Language School at Monterey, California. Use is also made of the Naval Language School in Washington, D. C. Also, the Army conducts language courses for CIC personnel at AIC, Fort Holabird, Maryland. The following languages are currently being taught, covering all Army programs, i.e., attache, FAST, ASA:

Albanian	Korean
Arabic (Egyptian and Middle East)	Norwegian
Bulgarian	Persian
Chinese (Cantonese and Mandarin)	Polish
Czechoslovakian	Portuguese
Danish	Rumanian
French	Russian
German	Yugoslavian
Greek	Spanish
Hungarian	Swedish
Italian	Thai
Japanese	Turkish

In addition, there are 82 other languages for which a requirement may be developed. In these languages, courses, including texts and nomination of teachers, are developed so that the training can be started as soon as the need is developed. This procedure only shortens the preparation of a linguist by a couple of months. It still will require almost a year to carry out the necessary training.

Language courses given at Monterey are from one year to forty-six months in length. This is satisfactory for the attache and FAST programs, but unsatisfactory for intelligence specialists as it includes too comprehensive a coverage.

Current discussions in the Army concerning language training are

along the following lines:

Eliminate training in writing and reading for certain categories of personnel, as the only facility they need is in translating orally into English. This would permit shortening the course or giving more time for the conversational phase.

Give complete responsibility for language training to G-2. This would place all language interests in one command echelon.

Place a requirement on all MAAG and mission personnel to take language courses prior to assignment and continue on-the-job training.

Establish an eighteen month course in Russian which will (since shortened from forty-six months) put more people through the course.

Obtain more spaces or billets in intelligence activities so that more people can be placed in language schools. This is a pipeline proposition as the personnel are lost to the system while in school.

Determine, prior to enrollment, whether or not a man selected for language training is capable of learning a language; i.e., determine by testing if the training and time will be wasted or fruitful.

There are numerous problems encountered in planning and conducting an extensive language training program, which should be recognized:

Two-year draftees are difficult to use for language training as term of service is about up when training is completed.

Draftees are only interested in studying languages for which there is some market after service. Currently, there is no market for Russian.

Due to the requirements of current management, it is difficult to keep trained personnel in assignments where they can continue to use the language and so retain facility.

To fully qualify a man in a language, he should live in the country in which the language is spoken. This is impracticable with Russian. FAST program personnel are sent into Russia at least once as couriers. This does not provide much help. To really be qualified, personnel must be intimately acquainted with the language, slang, and idioms. A language course in itself will not provide full qualification in these respects.

There are 106 languages which could be covered. Right now, the ones to select, besides Russian, as of major importance and on which to concentrate are questionable.

There is considerable resistance to taking a billet away from combat elements and give it to language training.

A committee was formed amongst intelligence agencies to work out a plan for listing civilians on a national basis who have a language capability. This project was dropped because of complications that would be involved in rating capability, the cost of the program, and security angles. College personnel of this type are well known and many already are members of the Reserve forces.

#### Conclusions

From the quantity and quality of the material collected, it is evident that the Attache System is of vital importance to the intelligence effort. There is evidence that recent enforced reductions in the number of personnel assigned make have resulted in limiting the effectiveness of this

important phase of intelligence collection. The functions and accomplishments of the Attache System require fuller understanding and appreciation in order to remove external pressures which effect restrictions on its performance (pp. 105-107).

The caliber of personnel assigned in the Army Attache System and the standards prescribed for such assignment are satisfactory. The system itself is well administered and controlled. There is positive evidence of an appreciation of the need for economy and coordination in operational functions (pp. 105, 106).

The effort expended in the Office of the Assistant Chief of Staff, Intelligence, on processing individual personnel security cases is diversionary in effect and is detrimental to the major objective of that office; i.e., collecting, producing, and disseminating intelligence information (pp. 113, 114).

The intelligence effort of the Army has become more complex in nature and widespread in interest, requiring the constant attention of those in authority in order to provide adequate coordination within the military services and the intelligence community as a whole. These increased responsibilities and the need for universal recognition of the importance of intelligence indicate a necessity for the elevation of the intelligence element of the Army to a higher echelon in its organizational structure. (pp. 100, 119).

The collection and production of intelligence in the Army are seriously hampered by its inability to attract and retain qualified personnel primarily in the civilian analyst category. There is considerable movement within the intelligence community, between agencies, of personnel in this category, which is a direct result of the provisions of civil service regulations regarding classification and the inability of the military services to offer adequate monetary inducements. (p. 121).

The major difficulties in the development of a group of adequately qualified linguists are time and personnel. Until a long-range program is developed and accepted by the military, the effort will be small, with unsatisfactory results and a complete lack of competence in this field. The other alternative is to rely solely on desperation methods of acquiring linguists, in which non-U.S. nationals must be used, with acceptance of the attendant risks. It does appear that the Army is conscious of the language problem, but is not attacking the problem with sufficient aggressiveness. The solution involves a long-range program from which immediate results cannot be expected. (pp. 106, 121, 132-134).

There is no established policy or procedure, per se, in the Army for the periodic security check of personnel assigned in sensitive areas. (p. 112).

Recommendations

That the Army Attache System be manned to permit full exploitation of the collection potential of this service. Present ceilings on personnel imposed by a Department of Defense directive should be lifted in order to achieve greater flexibility and permit more extensive prior training of assigned personnel.

That the Assistant Chief of Staff, Intelligence, be elevated to the level of Deputy Chief of Staff.

That serious consideration be given to more extensive use of Schedule "A" in the employment of civilian analysts and other intelligence specialists in order to provide the necessary flexibility in the recruitment of qualified civilian personnel by the military services, and to facilitate the interchange of such personnel between the Zone of Interior competitive service and the overseas excepted service.

That the Army aggressively attack the linguist problem by developing and using outside sources for training in colleges and universities through the medium of, for example, its comprehensive ROTC and Reserve programs.

That a policy be established and measures instituted for the periodic security rechecking of personnel assigned in sensitive areas at intervals

Office of Naval Intelligence (ONI)

The Office of Naval Intelligence is a part of the Office of the Chief of Naval Operations. The Director of Naval Intelligence is designated an Assistant Chief of Naval Operations. He reports to the Vice Chief of Naval Operations. He also has a direct responsibility to the Secretary of the Navy.

Under the authority and direction of the Chief of Naval Operations, the Director of Naval Intelligence is required to administer, operate, and maintain an intelligence service to fulfill the intelligence and counterintelligence requirements of the Department of the Navy in order to:

- Inform the Naval Establishment of the war-making capabilities and intentions of foreign nations;

- Provide the Naval Establishment with the intelligence needed for plans and operations;

- Warn Naval authority of threats to the security of the Naval Establishment;

- Provide the Naval contributions to joint, national, and international intelligence;

- Promote the maximum intelligence readiness of the operating forces and other components of the Naval Establishment;

- Coordinate the intelligence effort of the Naval Establishment;

- Develop and promulgate, subject to approval of the Secretary of the Navy, policies for the protection of classified matter, including such policies applicable to industrial security;



Advises the Chief of Naval Operations concerning all matters relating to naval intelligence and security policies for the protection of classified matter.

ONI is organized into three divisions; namely, Security, Intelligence Production, and Administration. In addition, there are two staff sections: a Policy and Plans Coordination Section and a Foreign Liaison Section.

In the field there are three organizations which assist in carrying out the mission of the Navy: the Naval District Intelligence Officers, who are under ONI's management control and who are located in the continental United States and in certain outlying areas such as Puerto Rico, Panama, Hawaii, and Alaska; the Naval Attache System, which is also under ONI jurisdiction; and the intelligence organizations within the forces afloat, which, although directly under their respective commanders, are under ONI's technical supervision.

The primary functions of the District Intelligence Officers are the conduct of counterintelligence activities and the implementation of security policies. The District Intelligence Officer serves on the staff of his respective Naval District Commandant, and in certain designated districts he has additional duty on the staff of the commander of the sea frontier in which the district is located.

Naval attaches and their staffs are officially a part of ONI, but they also have a responsibility to the ambassador or minister who is the chief of the diplomatic mission to which they are assigned. Normally, attaches are stationed only in those countries which are of primary naval interest to ONI. They provide the major source of overt collection of intelligence.

In the forces afloat, each area, fleet, type, and task force commander, and all flag officers exercising command have a staff intelligence section. This is headed by an intelligence officer who is responsible for the collection, processing, and dissemination of intelligence for the command and for its counterintelligence measures; GMI supports their intelligence requirements and assigns collection missions within their capabilities to execute.

#### Policy and Plans Coordination Staff

Working directly under the Director of Naval Intelligence, this small staff is concerned with policy matters and the preparation of intelligence plans. It consists of three officers and two civilians and is the focal point for all intelligence matters coming from or going to the Joint Intelligence Committee, the Joint Chiefs of Staff, the Intelligence Advisory Committee, or the National Security Council.

#### Foreign Liaison Staff

Also working directly under the Director of Naval Intelligence, the Foreign Liaison Staff consists of five officers, two enlisted men, and three civilians. It is the point of contact for all foreign naval attaches and members of naval missions for the purpose of keeping these people happy and away from the intelligence producers. It is supposed to know at all times the whereabouts of all foreign naval personnel accredited to the United States Government. In most cases, this is no problem. However, the large number of British, Canadian, and Australian naval personnel in the United States and the very close working relationships that have been

built up through the years of cooperative effort have resulted in a lapse in this knowledge so far as these three countries are concerned. This may be a serious gap and efforts should be made by the Navy to correct it.

Intelligence Production Division

The entire problem of the production of intelligence required to fulfill the mission set forth above is that of the Intelligence Production Division, whose organization is as follows:

INTELLIGENCE PRODUCTION DIVISION  
ASSISTANT DIRECTOR OF NAVAL INTELLIGENCE  
INTELLIGENCE PRODUCTION

Executive Assistant,  
Production Coordination Staff

FOREIGN BRANCH

Head, Foreign Branch  
Geographic Section  
Technical Section  
Medical Section  
Amphibious Section

COLLECTION & DISSEMINATION BRANCH

Head, Collection and Dissemination Branch  
Photo and Graphic Section  
Collection Section  
Dissemination Section  
Support Section

ESTIMATES BRANCH

Head, Estimates Branch  
Naval and Joint Estimates and Studies Section  
National Intelligence Estimation Section  
NATO Intelligence Section

AIR INTELLIGENCE BRANCH

Head, Air Intelligence Branch  
Targets and Vulnerability Section  
NA33TH/AF014-15  
Estimates and Capabilities Section

OPERATIONAL INTELLIGENCE BRANCH

Head, Operational Intelligence Branch  
Special Intelligence Section  
Operational Intelligence Evaluation &  
Discrimination Section  
Maritime and Trade Section

The Attache System

The attache program is of considerable concern, in that this is a major overt source of foreign information. It produces fully eighty percent of the information from which intelligence is built. Problems in the attache system include:

1. Reduction in attache personnel as directed by the Secretary of Defense;
2. State Department expression of desire as to placement; and
3. Ambassadorial requirements on the attaches in connection with naval ship visits.

With reference to 1. above, the Deputy Secretary of Defense directed that the three services survey their attache systems with a view to providing the maximum production at a minimum cost. After considering their recommendations, he directed that certain additional reduction measures be taken. These measures included placing ceilings on the number of air-staff officers, enlisted men, civilian employees, and automobiles which each service could have in the systems. The Navy is of the opinion that its

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allocation of resources is less than needed, and a steady increase in the outstanding (unfilled) collection directives, as well as the deficiencies shown in needed information, is indicative of the correctness of that opinion. Field reports indicate that one of the most important values of attache aircraft lies in the number and variety of places to which the attache can go by air. In addition, their use increases the possibility of taking pictures. Any further reduction of the attache system, which is not offset by a comparable increase in other overt collection means, would mean a serious impairment on the Navy in accomplishing its intelligence mission.

The present tour of the Naval attache is two years. Reports from the field indicate that the attache is reaching his point of major productivity at the end of two years. As personnel limitations have precluded the assignment of all Naval attache personnel to language schools, his language proficiency only reaches its peak at the end of the tour. He also has had two years in which to develop contacts from whom he can collect. In the main, it is very difficult to "pass on" these contacts to a replacement. Tours in ONI are three years, and the increase in the attache tour would bring the two intelligence tours in consonance. The other two services have been using three year tours for some time. Consideration should be given to the desirability of increasing the tour for this duty.

With reference to 2 above, the Department of State has expressed the desire to continue a Naval attache in the Dominican Republic and to add one to Haiti. In order best to meet the requirements for collection in more productive areas and the Defense ceiling, neither of these requests could be approved. However, a request to have the Navy attache ceiling raised for this purpose was submitted to the Secretary of Defense.

With reference to 1 above, each of the ambassadors to countries having ports of call for naval elements would like to have a Naval attaché to take care of the many problems arising from such visits and shore leaves incident thereto. However, where Naval attachés are present and utilized for these purposes, their principal intelligence collection duties suffer in direct proportion to the time consumed in carrying out these duties.

#### Military Assistance Advisory Groups

Reports submitted to the Navy Department by the naval elements of the MAAAG's are scrutinized very closely by ONI to assess the strength, composition, readiness, firepower, and military potential of the navy concerned.

#### Fleet Commands

Fleet elements have a very considerable intelligence collection potential, which is not fully exploited, particularly in time of peace. Every man who goes ashore in a foreign nation is a potential collector of information by observation, conversation, or taking pictures. Information so gathered, not only could be of Naval interest but also of concern to the other services. It is suggested that greater effort be made to exploit these overt sources.

#### Other Commands or Departments

Information of interest and use to the Navy is collected by ARMY, Air Force, and State Department representatives incident to their own collection mission. Normally, this information is furnished at the local level by liaison arrangements. It also is exchanged at the Washington

level by interdepartmental dissemination through the use of reading panels. Care is exercised in reports from the field to indicate the source of the information in order to avoid false coordination.

#### District Intelligence Offices

The district intelligence offices are the main original source of domestic counterintelligence information concerning the Navy. In addition, these offices collect information from the masters and crews of foreign-flag vessels who make port in the United States, and foreign port information from shipping concerns of the United States.

#### Intelligence Production Problems

Navy Collaboration in Air Intelligence (NACAIR) consists in making service and civilian personnel available to the DI/USAF in accordance

with a JCS directive. This arrangement is intended to provide for the production within the Directorate of Intelligence, USAF, of certain categories of air intelligence of joint interest. Additionally, and on a collateral basis, the arrangement is intended to provide for the unilateral needs of a single service or the common needs of two or more services for the preparation of air intelligence studies or of target materials.

Of the 77 officers and 142 civilians assigned to this work by the Navy, 61 officers and 132 civilians are assigned to NACAIN.

Because the working areas are separated, because Naval air interests are different from the interests of the Air Force, and because the work of NACAIN is not under the control or direction of the Director of Naval Intelligence, the 16 officers and 10 civilians located in ONI are working in much the same fields as are the NACAIN people in the development of targets, assessing the vulnerability of them, and in preparing air estimates. A solution to this duplication should be found.



The Navy is producing, in accordance with area priorities determined by the JCS, studies providing all of the intelligence, maps, and charts required by a commander to plan and mount an amphibious operation. The NIS on the areas concerned are not in sufficient detail to provide the necessary information upon which to base amphibious landing plans. In addition, they are not ready. Consideration could be given to strengthening the Navy amphibious objectives program.

Of the entire intelligence production, only two documents - the Daily Summary of World Events and the CNI Review - receive wide distribution; and of these, only the Summary may be a duplication of other intelligence effort. Each production has its particular use and as such appears necessary, appropriate, and economical, although dissemination of some productions may be too widespread.

#### Security

Security policy is vested, in the Navy, in the person of the Secretary of the Navy. Execution of security policies has been delegated, through the Chief of Naval Operations, to the Director of Naval Intelligence.

Three other civilian implement Naval policies in the various security fields: the Bureau of Personnel on matters of military personnel security,

the Office of Industrial Relations on matters concerning security among civil service personnel within the Navy; and the Office of Naval Material on matters of industrial security. Each was surveyed and seemed to be operating adequately.

Within the Office of Naval Intelligence, the security staff functions are arranged as follows:

DEPUTY DIRECTOR FOR SECURITY

SECURITY DIVISION  
ASSISTANT DIRECTOR OF NAVAL INTELLIGENCE  
SECURITY

Executive Assistant,  
Coordination and Security Policy Staff

CENSORSHIP BRANCH

Head, Censorship Branch  
Armed Forces Censorship Section  
Telecommunications Censorship Section

INVESTIGATIONS BRANCH

Head, Investigations Branch  
Personnel and War Funds Section  
Local Investigations Section  
Investigations Supervisory Section

S.E.C. BRANCH

Head, Sabotage, Espionage & Counter-  
subversion Branch  
Western Hemisphere Section  
European and African Section  
Asian Section

COMMERCE & TRAVEL BRANCH

Head, Commerce and Travel Branch  
Commerce Section  
Travel Section

SECURITY CONTROL BRANCH

Head, Security Control Branch  
Domestic Control Section  
Foreign Control Section

The present strength to perform all of these duties is 43 officers, 45 enlisted men, and 51 civilians. Of this number, 11 officers and 12 enlisted men are assigned on an interim (temporary) basis in an effort to bring the backlog of work into manageable proportions.

Investigations

The Navy Department has very few military personnel with investigative training. Dependence is placed almost entirely on civilians under contract with the Navy Department and without civil-service status. Because of the large backlog of investigations, a full background investigation of an individual by Navy security agents takes from nine to fifteen months. Practically all of this 400-man force is assigned for duty within the limits of the continental United States and its possessions. They work under the direction of the District Intelligence Officers. As a consequence, counter-intelligence coverage overseas is inadequate.

In addition to security investigations, the investigators are required to perform any or all matters of an investigational nature occurring within the Navy Department, be they criminal or be they serious offenses against the Unified Code of Military Justice. Because of the program of international Communism, many of the cases of a criminal nature or included in the serious offenses against the Unified Code of Military Justice have an impact on the purely counterintelligence coverage concerning espionage, treason, sabotage, or sedition.

The Navy's greatest single deficiency in this counterintelligence field is the shortage of adequate, worldwide counterintelligence assets and resources. The few persons assigned to such duty overseas (less than 35) are restricted almost entirely to work on personnel security investigations. In all of the naval intelligence organization there are only two full-time agents whose job it is to develop and maintain waterfront contacts for use in commerce and travel operations and related waterfront security and intelligence activities. Two or three other districts have part-time agents on such work.

An adequate program will involve eventual doubling or tripling of funds now allotted to this area of naval intelligence. It, in effect, will amount to putting certain areas of naval intelligence on a wartime footing. However, a recognition of this philosophy seems eminently proper, since, in terms of function, these areas of naval intelligence activity should be as much at war now as they ever will be.

Counterintelligence is a protective or preventive measure. In overseas naval areas, it appears to be woefully inadequate; at home, it is no better than that of the other services.

ONI recently has been active in promoting other measures to tighten up the security apparatus. One of the measures recently effected was to have the Department of Commerce and the Civil Aeronautics Board effect a certain amount of screening, for security, of commercial air crews travelling into and out of the United States. Two other areas of possible security weakness exist: (a) in the lack of a customs patrol in Great Lakes ports so that foreign-flag vessels plying the Great Lakes and other

these ports are not under surveillance at or from these ports; (b) invade-  
quate small boat inspections; fishing boats and other light craft must be  
cleared for operation and inspected by the Coast Guard for safety, but  
if the vessel puts to sea and returns claiming not to have touched a foreign  
port, it may not be inspected by any authority on return. In consequence,  
it is possible for a fishing craft to rendezvous with foreign submarines on  
the open sea and transfer espionage or subversive agents or nuclear bomb  
components from the submarine to the fishing boat for introduction into  
the United States without fear of official inspection on return. A survey  
of the extent of these possible threats should be made by the Inter-  
departmental Committee on Internal Security to determine what action is  
needed.

Recently, the Bureau of Personnel has recommended that the Navy  
institute periodically a "security recheck" policy on its military person-  
nel in inactive status. ONI is likewise taking into consideration the  
necessity of rechecking its civilian personnel. A security recheck program  
is in effect for all of the Office of the Chief of Naval Operations, which  
includes ONI. However, there is no specific or overall Navy policy on  
rechecks of personnel assigned to intelligence duties elsewhere in the  
Navy. The date and type of check which has been made on an individual  
is indicated on his orders for change of station, from which the new  
commanders may determine whether rechecks are necessary.

#### Administration

All of the administration of the Office of Naval Intelligence comes  
under the Assistant Director of Naval Intelligence, Administration, and is  
organized as in the following chart:

ADMINISTRATIVE DIVISION  
ASSISTANT DIRECTOR OF NAVAL INTELLIGENCE  
ADMINISTRATION

Executive Assistant

GENERAL SERVICES BRANCH

Head, General Services Branch  
Reproduction, Publications & Information  
Report Control Section  
Editorial Section  
Mail and Administrative Files Section  
Translations Section  
Intelligence Files Section

PERSONNEL BRANCH

Head, Personnel Branch  
Military Personnel Section  
Civilian Personnel Section  
Reserve Program Section

FISCAL BRANCH

Head, Fiscal Branch  
Budgets and Allotments Section  
Supplies and Equipment Section  
Audit and Accounts Section

TRAINING BRANCH

Head, Training Branch  
Transient Personnel Section

There are 21 officers, 64 enlisted men, and 116 civilians assigned to the division.

Manpower and management surveys are continuously conducted by this division to maintain both efficiency and economy throughout the whole of ORN. It is noted that interim allocations of military personnel have been provided by negotiation with the Bureau of Personnel to eliminate unacceptable backlogs both by the added personnel and the fact that military

personnel can be worked overtime, if necessary, without extra pay.

### Personnel

The major portion of the military personnel assigned to intelligence duties are not specialists. They are line officers. Provision has been made in the Military Personnel Act of 1947 to include an intelligence specialist in the Regular Navy. There are a total of 51 of these specialists. However, since by law none of these "Special Duty Only" officers may succeed to command, and since command is the usual stepping stone to flag rank, the "Special Duty Only" class is shunned.

It is expected that most of the line officers of the Regular Navy on duty in ONI will be ordered to sea duty within a very short time after mobilization starts, to be replaced by reserves recalled to active duty. This would strip ONI of many key people at a very critical time to the detriment of the intelligence effort. In addition, many Naval intelligence reserve officers are working for CIA and the State Department in either a military or civilian capacity and there is bound to be strong competition for the services of these personnel. Advance planning to determine mobilization assignments must be effected mutually so that the problem can be met in a change from peace to war status.

The duties in ONI are, in the main, performed by Naval personnel.

The following table shows 1955 strengths:

	<u>ONI</u>	<u>Attached</u>	<u>Total in Navy</u>
Officers USN	312	125	74,000
Enlisted USN	203	168	600,000
Officers USMC	18	19	10,155
Enlisted USMC	6	0	100,250

The Marine Corps does not appear to be carrying its share of the load.

The intelligence consciousness of the Navy appears to be comparatively low. Almost all experience is obtained through "on the job" training. ONI does operate a very excellent but small intelligence school. More emphasis in this field is needed.

#### Relationships of ONI with Other Intelligence Agencies

Under Department of Defense Directive 5105.1, dated June 29, 1954, the Director of Naval Intelligence was designated by the Secretary of the Navy as the appropriate official in the Navy Department to be the point of contact in intelligence matters for the Secretary of Defense and his Special Assistant (Special Operations). Both Mr. Thomas, the Secretary, and Mr. Smith, the Assistant Secretary for Air, take a very active interest in intelligence matters.

Other relationships are governmentwide wherever intelligence of interest to the Navy may be found. The Navy is rightfully jealous of its field of interest and is meticulously careful to refrain from getting outside that field. Because of a stringency on personnel allocations, there is as much work in the Navy's own field as it can keep abreast of without infringing on stated responsibilities of other agencies. Conversely, the Navy objects strongly to other agencies encroaching into its field. Several instances were cited where CIA has duplicated work of primary interest to the Navy, particularly concerning guided missiles and transportation matters in the Far East.

#### Ability to War Requirements

The present organization of ONI and its supporting elements seems adequate to receive the expansion that the outbreak of war would cause.



The office space allocation is not. No planning was evident as to what decentralization was to take place if personnel strengths were brought up to the 1145 level.

The lack of counterintelligence protection is very important now because of the need to keep our secrets of logistics from the potential enemy.

### Conclusions

Because of the importance of protecting its industrial secrets now, because of the extremely limited number of counterintelligence personnel available at overseas naval establishments, and because of the known use by the Communists of narcotics, perverts, and other crimes against nature and military law to subvert individuals, the counterintelligence protection provided by the Navy is inadequate. (pp. 147-150).

There is no established, standard policy in the Navy Department for the periodic review of the security status of intelligence personnel who come within the provisions of Executive Order 10450. (p. 151).

Limitations on the number of estimates, as well as the failure to use all available sources for collection, have resulted in insufficient information available in the Navy to provide the estimators with the needed support for their intelligence estimates. (pp. 142-144).

There is a need, Navy-wide, for a greater appreciation of its collection capabilities, especially in the fleet commands. Intelligence consciousness should be improved. (pp. 139, 140, 142-145, 154).

#### Recommendations

That the Navy put its counterintelligence program on a wider base so as to bring its worldwide protection up to an adequate level.

That the Navy establish a policy and finalize plans for the periodic review of the security status of intelligence personnel who come within the provisions of Executive Order 12050.

That the Navy expand its collection effort.

That the Navy continue and expand its efforts to improve the intelligence consciousness at all ranks and levels of the department.

### DEPARTMENT OF THE AIR FORCE

#### Special Assistant for Intelligence

The civilian staff of the Secretary of the Air Force includes a Special Assistant for Intelligence who is responsible for liaison with the Department of Defense, Office of Special Operations, and for review and evaluation of all matters pertaining to plans, policies, and programs related to the Air Force intelligence program. He is also charged with supervision and ultimate review of the personnel security program, both military and

The combining of these tasks considerably reduces the effective effort that the Special Assistant can devote to his intelligence responsibility. In view of the importance of the intelligence effort, consideration could well be given to separating these responsibilities as has been done in the air staff.

Deputy Chief of Staff, Operations

The Deputy Chief of Staff, Operations, is responsible for Air Force intelligence activities, Air Force communications activities, and atomic energy matters.

The Inspector General

The Inspector General is responsible to the Chief of Staff, USAF, for the conduct of investigations involving major crimes, violations of public trust, subversive activities, sabotage, and espionage. He also performs related counterintelligence functions.

Director of Intelligence

The Director of Intelligence, although subordinate to the Deputy Chief of Staff, Operations, is designated by Air Force regulations as the intelligence member of the air staff. In this capacity he is directly responsible to the Chief of Staff, USAF, and to the major air commands for staff support and guidance in intelligence matters. In addition to these divided responsibilities, he provides for:

The coordination of the collection of information by Air Force activities.

The coordination of the worldwide targeting effort.

The production of technical air intelligence and the handling and analysis of foreign material through the Air Technical Intelligence Center, which is an integral part of his directorate.

Representation of the Chief of Staff, USAF, for intelligence matters on specific joint and interdepartmental committees.

Provision of official liaison between foreign military representatives and the Air Force.

Operation of the Attache System.

Supervision over the Air Force Security Service and other special activities.

Control of disclosure of classified Air Force information to foreign governments.

Membership on the air staff affords the Director of Intelligence adequate access to the Chief of Staff on intelligence matters, but the Air Force organization subordinates him to the Deputy Chief of Staff, Operations. This has the effect of interposing an echelon of other important functional offices, such as that of the Comptroller, which adversely affects the efficiency of staff operation. The elevation of the Director of Intelligence to a higher level appears justifiable for this reason and in consideration of the tremendous importance which intelligence has acquired in the overall mission of the Air Force. Recognition and resolution of these circumstances would have the attendant beneficial effect of raising the prestige of Air Force intelligence and of attracting exceptional talent to its ranks.

To assist the director in the fulfillment of his responsibilities, the Directorate of Intelligence is divided into five major elements, each operating under the management of a deputy director. These areas are further subdivided into various sections, each of which has a specific responsibility. The major elements are:

- Management and Policy
- Collection and Dissemination
- Estimates
- Targets
- Air Technical Intelligence Center

#### Management and Policy

This element is responsible for preparation of USAF intelligence plans and policy, management of the directorate, specialized intelligence projects of high significance, and coordination of Army-Navy collaboration in air intelligence. The deputy director of this office is also the Executive of the directorate.

#### Collection and Dissemination

This element directs the USAF intelligence collection and dissemination activities, supervises liaison with accredited foreign air representatives and visits of foreign personnel of interest, collates collection requirements, provides guidance on aerial reconnaissance, administers the attaché system, processes and disseminates intelligence information, reports, and finished intelligence products. It receives information from the attaché system and all echelons of command. It prepares basic collection guidance instructions, such as the Basic Air Intelligence Requirements (BAIR) and

the ~~the~~ <sup>Approved For Release 2003/06/06 : CIA-RDP86B00269R000100020004-4</sup> information on a worldwide basis using the air attaché system, photographic reconnaissance, defectors, electronic interception, and the collection potential of Air Force commands. Technical Intelligence is the function of the Air Technical Intelligence Center.

The Air Force has adopted the CIA coding system and has expanded it basically in the aeronautical subject area. It would be desirable for all intelligence agencies to consider the adoption of this code. There is such a tremendous flow of raw intelligence that present filing systems generally have great difficulty in absorbing it. It is equally tedious to produce quickly the information which is in the system. Automatic devices would simplify filing, facilitate access to information when needed, and should prove to be economical. The Air Force presently has a project underway with the Eastman Kodak Company to develop a microfilm system for filing intelligence. This system, involving the use of Mini-Cards, will give a greater potential for coding and indexing, and is amenable to incorporation within more intelligence systems which are not yet beyond the research stage.

It is becoming increasingly difficult to collect raw intelligence in the Soviet bloc area using traditional methods of collection. The need for additional information from that area is so urgent that new approaches to the problem must be sought and fully exploited. Such measures should include the acceptance of risk involved in "overflights" when the information needed is of sufficient importance as to warrant the risk.

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Base, Ohio, and has as its mission the production of intelligence to prevent technological surprise. This is accomplished through analysis of intelligence information and equipment provided by the collection effort. Special projects related to intelligence techniques are referred to this center for study and development. Excellent estimates of aircraft development in the USSR have resulted from these analyses and project studies. The building construction program now in progress will provide better physical facilities for this activity.

#### Attache System

The Attache System in the Air Force is administered by the collection and dissemination element of the directorate. Thus, the staff component which is responsible for collection has direct control of the major contributing activity. The cost of operating the Attache System has been materially reduced by restrictions initiated by Congress, the Secretary of Defense, and the Directorate of Intelligence. This reduction has been effected by decreasing the number of attaches, the number of support aircraft and motor vehicles, and the monetary allowance for quarters. There exists a definite indication that the collection capabilities in certain areas have been limited in consequence of the reduction in assigned personnel and equipment. In some areas, such as Indonesia, State Department policy has, over the objection of the Air Force, limited the number of attaches and aircraft. Because of the direct relationship between collection capability and mobility of the collectors, certain of these restrictive actions should be reexamined from the point of view of improving the effectiveness of the attaches.



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between the two directorates. The Personnel Investigations Division of the Office of Special Investigations has the responsibility for the heavy burden of investigations involved in the personnel security program; the directorate of the Air Provost Marshal takes care of industrial and installations security problems.

### Personnel

Air Force security operations are centered in the Office of the Deputy Inspector General for Security. The Deputy Inspector General has two directorates: that of the Office of Special Investigations, and of the Air Provost Marshal, with the functions of security divided between these directorates.

The Office of Special Investigations is responsible for conducting all personnel background investigations within the jurisdiction of the Air Force and for forwarding final reports on completed investigations to interested commanders for appropriate action. Close liaison is maintained with the Federal Bureau of Investigation, Civil Service Commission, and other investigative and law-enforcement agencies. Regulations have been published for the purpose of establishing uniform policies and procedures for the personnel security investigation and clearance of Air Force military and civilian personnel requiring access to classified information. In addition, security consciousness has been increased as a result of the comprehensive personnel security review conducted in compliance with Executive Order 10450. The safeguards secured under this program should be preserved through the development of procedures for the

continued periodic security review of personnel occupying sensitive positions in Government.

### Classified Material

In the Directorate of Intelligence there is an office which represents the Air Force in the release of all classified information as well as intelligence to foreign nationals. This office works in conjunction with the other services, the State Department, the Office of the Assistant Secretary of Defense for Research and Development, and the State-Defense Military Information Control Committee (SDMIC). This latter is the group given, by authority of the President of the United States, the responsibility for developing and maintaining current policy governing the release of classified information to foreign countries or to the nationals of foreign countries.

Another important aspect of the problem of the release of information to the press involves the security declassification of Air Force material or information. Under the Deputy Chief of Staff for Material of the Air Force, there is an office having the responsibility for establishing the procedures and performing the coordination required for the declassification of aeronautical material. It was found that this office is generally under heavy pressure to accelerate declassification actions. It has as guidance a regulation which is based on the principle of "necessary exposure" and provides for the logical declassification of material. Many Air Force personnel contacted believe that too much information of technical and intelligence value is appearing in our newspapers and

regulators, thus making it easy for our potential adversary to secure intelligence. Since the declassification action prior to the release of technical information is so vital to the preservation of our sensitive data, this action should be controlled by a board rather than by one individual as at present.

There is an evident tendency to overclassify, and the Air Force is attempting to control this tendency by requiring those who apply the TOP SECRET security classification to fully justify its use. A continuing effort is necessary to reduce the volume of material which is placed in either the TOP SECRET or SECRET categories.

Air Force Regulation AFR 205-1, Security - Safeguarding of Military Information, is the guiding document designed to cover all problems of handling military information. This regulation, having as its basis the "need-to-know" principle, is unusually complete in detail. It is currently under revision and upon publication will attempt to provide answers to some of the comments of the present users concerning the complexity and legalistic language of the present regulation.

#### Facilities

The security of the physical facilities used by the Directorate of Intelligence is the direct responsibility of both the Security Officer of the Directorate of Intelligence and the Security Officer of the Secretary of the Air Force. The latter office also has the overall responsibility for the security of facilities in headquarters of the Air Force. Adequate protection appeared present

in the facilities described. Sensitive areas in the headquarters were found to have the advantage of special electronic protection in addition to other physical protection. Ultrasensitive equipment was available for temporary or special installations. Air Force intelligence operations in Washington are conducted in several buildings. This situation naturally reduces the overall efficiency of operations of the Directorate of Intelligence.

The Installations Security Division of the Office of Special Investigations monitors the protection system of the overall Air Force establishment. The Security Branch of this division is quite active in the making of vulnerability tests at installations having a combat mission, the establishing of standards and procedures for security indoctrination, the establishing of circulation control systems, and the security clearance of personnel. Similar tests are made to determine the adequacy of security measures being observed by critical operational units of the Strategic Air Command, where the general principle is to give a minimum number of people access to aircraft and equipment of this force. The SAC program is worldwide, covering both SAC bases in the United States and overseas. The effectiveness of the ground defense plan is under constant study, and the plan is changed as capabilities and estimates dictate.

#### Industrial

The Industrial Security Division of the Office of Special Investigations exercises staff supervision over Air Force responsibilities in the Department of Defense industrial security program. Security clearance procedures are developed for surveys of plants under contract to the Air

Force, together with general directives and programs concerning the safeguarding of classified information and material in industrial plants and facilities holding Air Force contracts. Frequent staff visits are made to installations of these commands which have industrial security responsibilities to maintain a continuing review of the personnel and physical security measures employed. The Office of Special Investigations is cognizant that vital secrets of the United States are in the hands of industry and operates to provide maximum protection of such information without sacrificing efficiency or hampering production.

#### Training

The Air Force has established an intelligence training program for officers and airmen, including courses ranging from those of an introductory nature to those appropriate for staff officers in higher headquarters. For the specialized training requirements of air attaches and selected key staff officers, the Air Force participates in the Army's Strategic Intelligence School in Washington, D.C. Specialized courses are available, not only in languages but also in technical specialties in the intelligence field. Considerable reliance is placed on "on-the-job" training, especially for civilian employees. The collection potential of many posts cannot be fully realized unless the posts are manned by adequately trained linguists and technicians. A periodic study should be made to determine the adequacy of the training facilities and school production in relationship to worldwide staff requirements. The staffing of foreign posts with inadequately trained personnel is not only uneconomical, but can also result in the loss of opportunity to collect intelligence.

In addition to the service schools, use is made of college facilities for language training and specialized area study requirements. Training courses are also available for Air Force reserve personnel, and considerable effort is made to encourage their participation. The Air Force intelligence training program (except for language training) is generally adequate for existing requirements, even in some technical areas where a critical need exists and where the attrition is high. The training program is also susceptible of considerable expansion for wartime conditions. It must be noted, however, that the increased emphasis on scientific applications in the data handling aspect of intelligence may create a special requirement for qualified personnel in this field.

#### Research

The technological intelligence research program of the Air Force is a very active one in which every effort is being made to utilize new ideas. When a new idea appears feasible of application, it is exploited on a crash basis in order to obtain results in as short a period as possible. Through the device of contract, the best qualified personnel available in the country are employed, not only in the examination of technical problems and the development of solutions but also in the analysis of intelligence. This approach has brought about an increased interest on the part of industry in the application of scientific developments to the intelligence field.

Recognition of the inadequacy of current collection, filling and production methods has impelled the Air Force to undertake research

problems which will be a matter of common concern to the entire intelligence community. Ultimate solution of these problems may involve the application of such intricate processes as digital computation and automatic evaluation of electronic intercepts. The importance of such solutions to the total intelligence program warrants the establishment of a central technological intelligence research activity.

#### Relationship with Other Intelligence Agencies

Air Force participation in the intelligence activities of the Joint Chiefs of Staff is accomplished through the Joint Intelligence Committee and the Joint Intelligence Group. By means of these activities, the Air Force contributes to the production of the Joint Intelligence Estimates. There is close relationship between the personnel of the Directorate of Intelligence and the Joint Intelligence Group. Full utilization is being made of air intelligence estimates and studies in the integration of departmental intelligence into Joint Intelligence Estimates. The Director of Intelligence of the Air Force represents the Air Force on the Intelligence Advisory Committee of the National Security Council. Through its participation on this committee, the Air Force actively engages in the production of National Intelligence Estimates.



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methods of collection and production of intelligence. Significantly deficient is the supply of intelligence regarding the Soviet Air Force and air technological areas. Much additional information is needed on the Russian air order of battle and air methodology. Little is known about air activity on the airfields in the interior of Russia. The defector program has been unsuccessful in securing defectors possessing high-level knowledge of the Russian air effort.

### Conclusions

Due to the fact that many career personnel consider that there are limited promotional opportunities in intelligence, a reluctance to enter this field is apparent among such officers (p. 173).

In order to obtain the services of top-flight civilian intelligence specialists who possess great technical skill and long experience, there is a need for exemption from some of the civil-service requirements (p. 173).

Based on the difficulty experienced by the Air Force in the procurement and retention of certain intelligence specialists, an allocation of personnel spaces exempt from some civil-service requirements across the intelligence community should prove helpful (pp. 173, 174).

The increasing importance of intelligence to the successful accomplishment of all air operations demands that the prestige of this function and the personnel involved be raised to a level which will encourage full cooperation, opportunity, and development (pp. 157, 158).

The collection potential of attache stations should be exploited to the utmost. The collection potential of many attache posts cannot be fully realized unless the posts are manned by adequately trained personnel, especially linguists. Economies have been demanded in terms of funds, personnel, motor vehicles, and aircraft, which will probably have a detrimental effect upon the collection potential of the Air Attache System. (pp. 162, 163, 169).

The Air Force has become involved in technical research projects of an intelligence nature which could well be the responsibility of a central agency, as some of the devices or ideas being developed have an overall application to the intelligence community. (pp. 170, 171).

Present methods of declassifying technical information are permitting too much information of intelligence value to appear in public print. The control of declassification of material or technical information should be strong enough to retain for our country the full value of our technical advancement. Control of such declassification when vested in one man is undesirable. (pp. 166, 167).

There are many Air Force intelligence publications which contain some sensitive material. In view of the worldwide distribution made of some of these, a significant security risk is involved. (p. 163).

Because of the great volume of raw information flowing into our intelligence agencies, present filing systems do not give ready access to information previously filed. The increasingly critical nature of the time element makes it imperative that processing of intelligence be done in a minimum period of time. The application of automatic devices

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(p. 160).

Due to countermeasures, it is becoming increasingly difficult to collect raw intelligence in the Soviet-bloc area using traditional methods. This makes it mandatory that all possible resources be utilized to exploit fully those technological means for intelligence collection which are now available or which can be developed. (pp. 160, 163).

On account of the difficulty encountered in the collection of raw intelligence from the Soviet area, it appears that calculated risks should be taken when the information sought is so vital that the cost in risk is not excessive. The use of "overflights" to secure such information deserves constant consideration. (p. 160).

The standards of personnel security achieved through compliance with Executive Order 10450 should be preserved (p. 163).

#### Recommendations

That the organizational position of the Director of Intelligence of the Air Force be raised from its present position to that of a Deputy Chief of Staff.

That a limited number of civilian personnel spaces for Air Force intelligence be exempt from some civil-service requirements.

That a board or commission be established to make an equitable and coordinated allocation among the intelligence agencies of personnel spaces exempt from some civil-service requirements.

That the Air Attache System be maintained at a level which will insure an adequate collection capability and that air attache qualifications, such as background, interest, and language training, be

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A Bureau of Investigation was established, under the jurisdiction of the Attorney General of the United States, by Executive Order of July 26, 1906. In 1924, the policies now followed in the administration of the Federal Bureau of Investigation were established, and in July 1935, this Bureau became known as the Federal Bureau of Investigation.

#### Scope of Survey

In view of the limited activities of the FBI in the positive intelligence field, a detailed survey was not made of this agency. Its functions in the counterintelligence effort were of interest in order to fill out the intelligence picture.

#### Responsibilities in the Field of Counterintelligence

Among other assigned responsibilities, the FBI has jurisdiction over investigations relating to espionage, sabotage, treason, and other matters pertaining to the internal security of the United States, which directly places the FBI in the field of counterintelligence.

Executive Order 10450 (May 27, 1953), which established the security program for "all persons seeking the privilege of employment or privileged to be employed in the departments and agencies of the Government," provides: "All investigations conducted by any other agencies which develop adverse information involving loyalty or information showing coercion of an employee to act contrary to the interests of the national security, shall be referred promptly to the Federal Bureau of Investigation for a full field investigation."



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Responsibility for Surveillance of Foreign Nationals in the United States

The Federal Bureau of Investigation obtains concurrence from the Department of State before undertaking an investigation of a foreign national in a diplomatic status. No operations are carried on within the United Nations Headquarters. Surveillance, however, may be instituted on any foreign national as considered necessary or desirable to determine the character of his activities and the need for further investigation. It is the duty of the FBI to conduct investigations of all cases involving foreign nationals, as set forth in the Delimitations Agreement.

Conclusion

That the internal security and counterintelligence functions of the Federal Bureau of Investigation are conducted in a proper manner, under excellent supervision, and with due consideration given to the needs of all Government departments and agencies. (pp. 221-226).

## VII INTELLIGENCE PRODUCTION

### Levels of Intelligence

Congress, in the National Security Act of 1947, recognized two types or levels of intelligence: intelligence relating to the national security and departmental intelligence. It made it the duty of the Central Intelligence Agency to correlate and evaluate intelligence relating to the national security and provide for the appropriate dissemination of such intelligence. It also provided that the departments and other agencies of the Government shall continue to collect, evaluate, correlate, and disseminate departmental intelligence. Access to departmental intelligence and the information from which that intelligence was developed was limited by law to that approved by the National Security Council, except for certain discretionary action on the part of the Director of the Federal Bureau of Investigation. By NSCID No. 1 the National Security Council authorized the Director of Central Intelligence to survey and inspect all intelligence of the other departments and agencies.

Departmental intelligence is not defined in the law. By inference from the law and other Acts of Congress, the National Security Council defines the term as "intelligence, including basic, current and staff intelligence needed by a department or independent agency of the Federal Government and the subordinate units thereof, to execute its mission and to discharge its lawful responsibilities." This definition does not appear in the Second Revision of the Dictionary of United States Military Terms for Joint Usage, nor does a definition of "staff intelligence."

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Definitions for "basic" and "current" intelligence vary slightly between the Security Council definition and the Dictionary of United States Military Terms for Joint Usage. Differences of opinion and usage exist on the meaning of "covert" and "clandestine," "counterintelligence," and "counterespionage"; even the word "intelligence" itself is subject to a variety of connotations.

It is believed that an agreed glossary of terms for use throughout the intelligence community concerned with national defense would eliminate many of the trouble spots directly traceable to differences in usage of the terms employed.

#### National Intelligence

By law and by directives, it is the responsibility of the Director of Central Intelligence to integrate departmental intelligence so as to produce national intelligence. When there is no way by which departmental intelligence may be integrated into a single expression of intelligence opinion, directives require that the two or more divergent opinions must be submitted to the National Security Council or other appropriate recipient. Provision has been made to insure that current intelligence -- defined as "spot information or intelligence of all types and forms, of immediate interest and value to operating or policy staffs, which is used by them usually without the delays incident to complete evaluation or interpretation" -- will be given prompt but necessarily incomplete evaluation by all of the agencies surveyed so that a national intelligence attitude on the subject at hand may be promptly provided. Normally, this speed is not necessary, but occasion has arisen in the past and will again in the

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future when the impact of military and political thinking on the subject must be felt quickly and a readiness to perform these prompt evaluations and the machinery to see to it that such is done must be in existence. The Watch Committee of the IAC is, in its special field, a means toward this end.

Under normal circumstances, the procedure used in developing a national intelligence estimate is somewhat involved and cumbersome. Initially, a requirement is developed by an expression of desire for an estimate on a given subject by some member of the National Security Council or its staff, or by one of the members of the Intelligence Advisory Committee. The requirement is discussed and approved by the IAC. It is then scheduled and the subject furnished to the Board of Estimates in CIA, which in turn develops terms of reference for the estimate. The Board of Estimates, the chairman of which is directly responsible to the Deputy for Intelligence of CIA, is made up of eight or more employees of CIA. Two of the members are retired high-ranking military officers; the remainder are eminent civilians. The terms of reference are then circulated to the members of the IAC for agreement on them. After the terms of reference are agreed upon, areas for contributions within departmental responsibility and competence are decided upon within the agencies to determine the persons who will prepare the agency's contributions, which are then consolidated and differences reconciled to present the view of that agency. These contributions are then submitted to the CIA Board of Estimates, which in its turn consolidates and attempts to reconcile any divergent views contained in the contributions.

It is to be noted that the CIA submits a draft covering the whole subject. The CIA Board of Estimates then circulates its consolidated draft for consideration by the working levels of the IAC agencies, who meet to argue the differences of opinion and to assure themselves that the views of their agencies are adequately presented. Most of the differences are normally resolved at this level, although this may require the submission of several drafts; and it is at this level that charges of subjective bias usually originate. When it is determined that all differences have been resolved, or that further discussion at that level will avail no further agreement, or the scheduled time for consideration by the IAC for presentation to the National Security Council has arrived, the paper is put on the agenda for IAC consideration. At the IAC meeting, the differences of opinion are discussed, and in most cases resolved, among the intelligence chiefs. If, however, agreement cannot be reached at this meeting, any member may submit his opinion separately in the form of footnotes. Objective differences of intelligence opinion are healthy in the intelligence community. Subjective differences are not.

Normally, the services do not form and present a Defense Department opinion on national estimates unless the Joint Intelligence Committee has been working on or has prepared a recent estimate on the same subject. If such is the case, and unless the terms of reference are widely different, or additional important information has been received that changes the former joint estimate, the services will submit and support the joint estimates; otherwise, the three service members and the Joint Staff member submit individual expressions of opinion.

The other members of the IAC -- the State Department, the Federal Bureau of Investigation, and the Atomic Energy Commission -- if their fields of competence or responsibility are concerned -- also furnish their individual expressions of opinion. There are then, perhaps, eight departmental estimates to be integrated into the national estimate.

#### Departmental Intelligence

No department of the Government can specifically delimit its concern in intelligence matters. The Army must concern itself with some of the foreign political scene, and the State Department must concern itself to a certain extent with the military stature of foreign nations. Thus, in accordance with the definition announced by the Security Council, departmental intelligence must produce duplication in the several fields. The impact of the same piece of information, however, will vary considerably with the department using it in the development of its own departmental estimates. This variance of impact is a necessary part of the production of good intelligence estimates. The economic stature of a nation affects its political stability, its military potential, and the sociological steadfastness of its people. Care must be exercised so as to insure that appropriate emphasis is placed on the same economic factor as it affects the nation in the various fields.

In the overt collection field, the State Department, the Army, the Navy, and the Air Force are responsible for collection in assigned fields. Through the established mechanisms of exchange of information, each agency obtains from the others that which it needs on which to base departmental estimates.

## Collection

### Overt

Under the National Security Act of 1947, "the departments and other agencies of the Government shall continue to collect, evaluate, correlate, and disseminate departmental intelligence." As a corollary to the content of the law, and under National Security Council Intelligence Directives Nos. 6, 7, and 16, CIA is responsible for the collection -- Governmentwide or as a service of common concern -- of certain specified types of information or the coordination thereof. In accordance with NSCIDs Nos. 5, 9, 13, and 14, CIA, with other agencies, has certain other collection responsibilities. These latter NSCIDs are discussed elsewhere in this report.

The Security Council, by NSCID No. 2, assigned collection responsibilities in the overt field to various agencies which had established capabilities. The State Department was to obtain cultural, political, and sociological information. The Army, Navy, and Air Force attaches were to collect military information. Economic, scientific, and technological information was to be collected by each agency in accordance with its needs. At a later date, the Department of State was made responsible for the collection of basic scientific information and any additional information needed in the scientific and technical fields by other Government agencies, except the Department of Defense.

Each representative of the Department of State abroad, from the ambassador down, has an intelligence function. This is also true of the attache personnel furnished by the armed services. The services and the State Department indicate that from 80 to 90 percent of the information



they receive, on which departmental intelligence estimates are based, comes from the overt sources.

Information for intelligence purposes may be collected in many places and by many means; for example, the Soviet attache in Argentina may indicate to a United States representative the type of information in which he is interested. Such knowledge of the field of interest can lead our intelligence researchers to conclusions concerning the direction and extent of the Soviet effort. In consequence, the more widespread our collection representation, and the more contacts it develops, the better is the quality and quantity of information obtained.

All the departments and agencies surveyed by the task force are in unanimous agreement that there is just not enough good information on which to base estimates concerning the USSR and China. This is noted in sections under the headings of Joint Chiefs of Staff, the Army, the Navy, the Air Force, CIA, the AEC, Levels of Intelligence, and others.

Periodically, the intelligence agencies prepare briefs indicating the gaps in information which, if filled, would produce more accurate estimates. In addition, the Secretary of Defense has required the services to prepare statements of the adequacy of information available to them. In each of these reports, the amount and quality of information that was lacking was appalling. Great gaps exist which critically affect the development of plans, especially as they relate to the assessment of the military stature of the potential enemy.

Coordination of collection activities in overseas areas is the responsibility of the senior United States representative in the area. In most cases, this senior representative is chief of the U.S. diplomatic

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mission. These individuals may or may not be trained or experienced in intelligence matters. In consequence, CIA has made it a practice to furnish a representative, accredited to the nation concerned, to whom the ambassador could delegate the coordinating responsibility. In occupied areas, the military commander is the senior representative. He normally delegates the coordinating responsibility to his military intelligence officer.

At the national level, the DCI is charged with the overall coordination of the collection effort.

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Foreign language publications are the source of much intelligence material. Operations in this field are coordinated by the DCI, using a subcommittee of IAC. The State Department, because of its worldwide representation, has been responsible for the procurement of these documents, although no specific directive assigns this responsibility. Personnel cuts caused the elimination of certain procurement officers. Consequently, at the present time there are five profitable geographical areas that are not covered. When the number of personnel is limited, first consideration is usually given to fulfilling the requirements placed upon a department by law at the expense of functions for which there is no budgetary support.

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Publications cannot be adequately used in the production of intelligence until they are translated.

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#### Exploitation of All Possible Sources

As has been noted above, there are areas which have not been fully exploited in the overt collection field and other areas that have been barely tapped. There are other areas that have not been opened at all. In the light of the universal cry for more information, it is difficult to ascribe a good reason for this failure. This is a general charge made at all of the agencies -- not at any one agency. All or any one of these factors may be the cause:

Lack of dynamic and imaginative supervision at all levels.

Shortages of personnel in the collection field.

Inexperienced personnel in some areas.

Inadequate expression of collection objectives and priorities.

Lack of experience and training of the people preparing the collection requirements.

Inadequate research personnel - the material may be in the files somewhere.

Over-reliance on clandestine at the expense of overt methods.

Lack of language proficiency among collectors.

#### Intelligence Objectives and Priorities

At the national level, the national intelligence objectives and the priorities of collection are set forth in NSCID No. 4 and DCIDs 4/3 and 4/4. Within the framework of these directives, each agency lays down its own requirements of priority. The information of highest priority is usually the most difficult to achieve. In the development of priorities, emphasis has been placed on the important target areas - the Soviet Union, its strengths and weaknesses. Lower priority information should also be obtained if the collection effort permits. However, it should not divert effort from the more difficult problem.

There has been no allocation of collection responsibility to any agency for any single item in the priority listing. The agencies, therefore, are falling back on the guidance contained in NSCID No. 2; i.e., collecting to fulfill their own missions.

### Application of Available Resources

The services have held their attache systems under continuous scrutiny so as to assure themselves and the Congress that this collection area is maintained at its maximum efficiency. This is particularly true since the Secretary of Defense put a top limit on the personnel in these systems.

The need for intelligence and information collection does not change. The problem of collection is more difficult in time of peace than in war. Personnel are needed for collection; the better qualified the personnel, the better the collection. Improvement in selection, better training, and increased length of tour of the collecting personnel should improve the quality of the reporting.

The State Department has been charged with the collection of information on the basic sciences and the scientific and technical information needed by agencies of the Government other than the Department of Defense, although it has no responsibility for production in this field. CIA is charged with the production of intelligence in the basic scientific research field. Because of personnel limitations, the State Department has not adequately fulfilled the commitment placed upon it by the NSC.

### Organization of the Task

There appears to be necessity for reorientation of responsibilities in certain of the collection fields. The procurement of foreign publications for all agencies of the Government now handled by the State Department could be one of the "matters of common concern" performed by CIA. In addition, responsibility for the collection of information in the basic

sciences and the scientific and technical fields other than that which is of concern to the Department of Defense could also be a "matter of common concern" performed by CIA.

#### Diminishing Returns from Critical Areas

The USSR, its satellites, and Red China are, of course, the critical areas. In these countries, and wherever their representatives may be, are the sources of the highest priority information. Security restrictions limit the movements and collection potential of all overt collectors behind the Iron Curtain, thus making the covert collection problem harder. Added to the security restrictions, racial characteristics make the collection problem even more difficult. The lack of diplomatic representation in China means that even the very limited collection capability available by this means in other Communist countries is missing.

The intelligence community is of differing opinion as to the advisability of further limiting the movement of Communist diplomatic representatives in the United States. There is uncertainty as to whether the Communists, under the impact of our action, will impose further restrictions on our representatives or relax those now in effect. It appears to the task force that our restrictions should at least match the restrictions put on our representatives in Communist areas.

#### Covert

The covert collection of information is discussed in Chapter IV and Appendix II.

### Evaluation of Material

Under the provisions of the National Security Act of 1947, it is the duty of the Central Intelligence Agency, under the direction of the National Security Council, to evaluate intelligence relating to the national security; and that statute also recognizes and continues the traditional right, duty, and responsibility of the various departments and agencies, including the CIA, to evaluate departmental intelligence. Therefore, each intelligence agency of the intelligence community of the Government is responsible for evaluating such intelligence information as it may require for its own needs or to carry out its own intelligence functions; and in addition, the CIA, assisted and advised by members of the Intelligence Advisory Committee, is responsible for the evaluation of that intelligence relating to the national security, which has been defined by the National Security Council as being "national intelligence."

Each agency collects a tremendous quantity of raw information of all types -- from a single short sentence to a large series of published volumes on a given subject or portion of a subject. Much of the collected information is screened out in the field as worthless, but there is still a tremendous quantity that makes its way to Washington, where in many instances the same raw information or variations of it winds up in each of the intelligence agencies. According to experienced intelligence analysts, it is essential that each evaluator make the complete evaluation of the information by collating and analyzing each piece of raw information, for by this means alone can there be made an authoritative assessment of the meaning of a series of related pieces of raw information. There seemingly is no easy road to the evaluation



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of items of intelligence, nor is there any apparent workable alternative to the methods of evaluation now employed, since the process is not susceptible of being accomplished by assembly-line methods.

### Dissemination

Dissemination is the process through which intelligence information is transmitted to agencies, activities, or individuals who have a need for such material. This action may take place at any stage of the intelligence process, from the moment information is acquired up to its issuance in an evaluated and authenticated publication.

Intelligence information may be disseminated orally, by telecommunication, or in printed form. The method used is dictated by the degree of urgency of the matter which the particular information concerns. The usual method takes some form of written communication, which also indicates the degree of authenticity which can be given the subject matter it contains.

The extent of dissemination of intelligence material after it is analyzed and evaluated is basically founded on an expression of "field-of-interest" by the various agencies and activities in the intelligence community. To insure compliance with this criteria, various agencies conduct reading panels which make most intelligence receipts available to other agencies for their perusal and designation of interest. Certain agencies are on automatic distribution, the CIA, for example, which provides them with every item of intelligence "take."

Dissemination of individual items within agencies is well handled, with evidence of an appreciation of the possibility and danger of over-distributing internally. If distribution is not adequately controlled,

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there can result an amassing of irrelevant material which requires a time-consuming and diversionary effort in separating the wheat from the chaff.

The interagency or external dissemination is the principal trouble-developing process. Because of the necessity of protecting sources, various restrictions which tend to negate the value of the information received are placed on the retransmittal to another agency or on internal dissemination. Unless full use can be made within the authority of the recipient of information received, the value of its transmittal at all is questionable. For instance, there is little use of informing a commander of the activities of a potential enemy unless he is left free to apply that information for the protection or counteraction of his command. As a corollary, it is of vital importance that any information of such a nature be transmitted to the commander.

Adequate dissemination is essential. However, to achieve the right degree and to eliminate excessive and useless dissemination requires a high degree of control and a full appreciation of the needs of the consumer. Any over-distribution of a classified document increases the risk of unauthorized disclosure of its contents and thus may constitute a security risk.

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### Conclusions

There is a firm need for agreement on the terms used in the intelligence community so that the difficulties arising from different interpretations of these terms may be eliminated. (pp. 227, 228) ✓

The collection of information is inadequate to meet the needs of the nation's security. Gaps exist which are critical to the development of plans, not only in the strictly military field, but also in the political and sociological fields, especially as they affect the assessment of the military stature of the potential enemy (pp. 233, 237)

Collection emphasis must be maintained on the target area of major importance - the Soviet Union. This is not only the primary target, but also the most difficult one facing collectors. Opportunities for collection of information concerning this area must be exploited to the fullest, and capabilities to build up such opportunities should be developed to the maximum (pp. 236-238, 240) ✓

The Department of State is not adequately fulfilling its commitment to collect information on the basic sciences, nor is it fully carrying out the foreign documents procurement program. (p. 239) ✓

### Recommendations

That an agreed glossary of intelligence terms be produced and reviewed periodically. ✓

That positive measures be taken to increase the quantity and improve the quality of information collected, with special emphasis on the primary target area, to include the revision of existing directives to assign more explicit responsibility to agencies which can fulfill the requirement. ✓

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#### VIII FUNCTIONAL INTELLIGENCE

##### Military

Military intelligence, the assessment of a potential enemy's military strength and what he is going to do with it, is perhaps the most vital aspect of the intelligence endeavor. Diplomacy is not dead; but it must be based on military potential in the world today. Power diplomacy, or the extent of the defense effort of the United States, is assessed against our knowledge of the military strength of our potential enemies. "Adequate intelligence constitutes the fundamental basis for the calculation of risks, the formulation of plans, the development of materials, the allocation of resources, and the conduct of operations" (General Ridgway, in his defense of the Army budget before Congress, 1955).

Knowledge of enemy military capabilities gained through intelligence activities cannot of itself be the single deciding factor upon which to base decisions. Other aspects of intelligence contribute their share in the weighing process. For instance, if it is known that a potential enemy is strong in numbers of combat troops but does not possess a mass destruction weapon, which we do, then the decision as to the strength and composition of our military forces will be shaped in the light of this knowledge gained through scientific intelligence. In a similar way, political, economic, and sociological intelligence must be given consideration and their impact assessed, but their contributions are ancillary to the primary and vital question of potential enemy military capabilities.

It is the mission of the Secretary of Defense to "have direction, authority, and control over the Department of Defense" and the combatant functions of its three component services. The law (National Security Act

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of 1947) provides "for the effective strategic direction of the armed forces" by establishing the Joint Chiefs of Staff as "the principal military advisers to the President, the National Security Council, and the Secretary of Defense." It is the intent of Congress that there be no armed forces general staff. Under this framework, the intelligence required by the Joint Chiefs of Staff in their capacity as military advisers is developed by the Joint Intelligence Committee made up of the three service intelligence chiefs and the Deputy Director for Intelligence of the Joint Staff.

As against this, the Congress has provided another agent and agency (the CIA) to develop "national intelligence" and to advise the National Security Council on intelligence matters. There is no reference in the law, nor in the statement of policy which is the preamble to the law, that this agent or agency be the intelligence adviser to the President. The performance of this function stems from a National Security Council intelligence directive. The procedures for development of national intelligence estimates also stem from an NSCID which requires the use of departmental intelligence in performing this function.

The effort to acquire military intelligence is conducted on a global basis. It uses the collection efforts of all departments and agencies, and the final product has felt the impact of political, economic, sociological, technical, scientific, as well as military, factors assessed together to form the military intelligence view. Collection is the major problem. Where the United States possesses friendly international relations, the effort is comparatively prosperous and facile; where the barrier of Communist ideology and the accompanying security restrictions

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are interposed, the effort is arduous and the result impoverished. In consequence, there is a danger of the diversion of effort from the difficult to the more easy, from the "impossible" to the "possible." Quantity is no replacement for quality in the intelligence process, and the measure of success in our present position of western world leadership depends on how accurately we can judge the enemy's strength, be the war we are in "cold" or "hot."

As evidence of this qualitative deficiency, it is necessary only to examine the known (there may be others which are not presently recognized) "gaps" in intelligence, which have been expressed as follows, and which are of concern to the entire intelligence community:

1. War Plans. Nothing is known of Soviet or satellite war plans.
2. Early Warning. With the exception of the Soviet Zones of Germany, Austria, and Korea, no means are presently available which can insure early warning of attack.
3. Bacteriological, Chemical, and Radiological Warfare. No reliable information has been collected revealing the status of Soviet development or their intentions in these fields. /
4. Political Decisions. Little is known of Soviet high-level political decisions which, if translated into military action, can seriously affect the security of the United States.
5. Economic Decisions. Sufficient and timely information is unavailable on Soviet high-level economic decisions affecting their military capabilities.

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6. Military Equipment. Practically nothing is known of new developments in Soviet military equipment, its application to operational use, status of training in its use, or the extent to which it has been produced and distributed.

It is to be noted that all of the expressed major "gaps" in intelligence are related to the Soviet Union, its satellites, and Communist China. If these "gaps" can be closed, in intelligence relating to the Soviet Union, those related to the other Communist influenced areas will close automatically. Hence, the primary target in our intelligence effort is and should be Soviet Russia.

Since the size of our own military effort, the direction of that effort, and the plans for the employment of the forces involved should be based on knowledge of the military capabilities of the Soviet Union, it is essential that we have adequate intelligence in order to insure our national security and to employ our assets to our maximum advantage.

Scientific, Including Medical

The production of an adequate quality of scientific intelligence has been one of the more difficult problems with which the intelligence community has had to contend since World War II. The advent of the atomic bomb and other important scientific discoveries through research and development has brought to the forefront in a relatively short time the vital need for the development of practicable procedures for the collection, evaluation, collation, and assessment of the meaning of information pertaining to such scientific types of information as may relate to national security or as may be of interest to the various

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Government departments and agencies.

The intelligence community has had great difficulty in allocating areas of responsibility in the various fields of scientific intelligence. The major problem has been to differentiate between the type of scientific intelligence which pertains to the basic sciences and resources and that which pertains to the weapon production or end products of scientific development.

Currently, NSCID No. 2 allocates collection abroad of scientific intelligence information to each agency in accordance with its respective needs. NSCID No. 3 allocates dominant interest in the production of scientific intelligence to each agency in accordance with its respective needs. However, DCID 3/4 divides the general field of scientific and technical intelligence production into three basic major areas, and allocates primary production responsibility therefor as follows:

To the military services of the Department of Defense for intelligence on all weapons, weapons systems, military equipment, and techniques, plus intelligence on pertinent research and development leading to new military material and techniques.

To the CIA for intelligence on fundamental research in the basic sciences, basic scientific resources, and medicine, excluding military medicine, plus intelligence on pertinent applied research and development.

To all interested intelligence agencies for intelligence on atomic energy.

NSCID No. 3 charges the CIA with primary responsibility for the maintenance of biographical data on foreign scientific and technological personalities. To this end, other departmental intelligence agencies



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continue to collect, analyze, and abstract such biographical data in accordance with their needs. This data is forwarded to the CIA, where it is codified, indexed, and incorporated into CIA files. Here it is readily available to the other participating departments and agencies.

NSCID No. 10 allocates responsibility for collection abroad of foreign scientific and technological data:

To the DCI for determination, in collaboration with pertinent agencies, of those countries which have informational potential in fields of basic and applied sciences, as related to the national security;

To the State Department for collection abroad for all Government agencies of information in the basic sciences, plus information in such additional scientific and technical fields as is necessary to meet the requirements of Government agencies other than the Department of Defense and, when requested, requirements of the Department of Defense;

To the Departments of the Army, Navy, and Air Force for collection of scientific and technological information, including basic research when necessary, to meet the requirements of the Department of Defense, utilizing whenever practicable the facilities of the Department of State for collection in the basic sciences.

In spite of the efforts which have been made heretofore for the coordination of the production of scientific intelligence, this area of intelligence production still remains one in which there is much room for improvement. All members of the community apparently realize the shortcomings still existing in this field and are earnestly endeavoring to resolve their difficulties. For example, in December 1954 an interchange of communications between the CIA and the Department of Defense indicates the near solution of a hitherto difficult problem concerning the

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exploitation of the U.S. electronic intelligence (ELINT) resources. Another major difficulty is the lack of raw information on the basic sciences and resources, as well as on weapons research and production.

The task force is of the opinion that there exists in the intelligence community the foundation of a practicable coordinated system for the production of scientific intelligence and a realization of most of the major difficulties and shortcomings in the current coordination of production procedures. The task force will consider this problem in its recommendations.

#### Economic

It was not until early 1951 that the important area of economic intelligence production received its due share of interest and concern from the members of the intelligence community. Although prior to that date approximately 24 different agencies of the Government were engaged in collecting and analyzing foreign economic information in accordance with their respective departmental needs, no adequate machinery existed for the mobilization of the available data and analytic competence in this field into a comprehensive coordinated picture of conditions as they might reflect on the national security, nor for identifying and filling the numerous apparent gaps in knowledge. As a result of a study initiated by the NSC of these apparent deficiencies in the coordinated production of economic intelligence, it is believed that adequate machinery now exists for resolving differences and accomplishing complete coordination, and the individuals concerned are constantly seeking common meeting grounds on the various problems.

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Political, Cultural, Sociological Intelligence

The struggle for power among nations places primary emphasis on the acquisition of knowledge relating to a potential enemy's offensive and defensive strength. Other elements of intelligence are of relative importance in direct proportion to the measure of strength assessed. If an alien government is known to possess great potential to wage war or to resist attack, it becomes vitally important to probe deep for all additional information which may aid in the determination of motives and intent. Political, cultural, and sociological intelligence are among the elements essential to an evaluation.

Political intelligence is the product of evaluated information covering all aspects of the governmental behavior of a people, including biographical studies of important or potentially important political personages. Cultural intelligence provides knowledge of the status of the arts and sciences, and of the strength and cohesive effect of manners and social institutions. Sociological intelligence reveals a nation's population growth and decline in all its aspects and notes changes in social structure with relation to economic changes.

The Department of State, as the principal arm in support of foreign policy determination by the President, is charged with primary responsibility for the overt collection of political, cultural, and sociological information. All agencies assist in its collection to the extent that it may be required by the senior U.S. representative overseas, civilian or military, in the effective conduct of the nation's affairs. This undoubtedly results in some overlapping of effort, but it represents a proper use of common information on a need-to-know basis rather than unnecessary duplication.

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The major portion of political, cultural, and sociological information is obtained by overt collection. Like other raw elements of intelligence, it is most difficult to obtain from countries of high priority importance where resistance to its disclosure is usually correspondingly strong. The collection potential is influenced by the relative importance which a senior U.S. representative places upon political reporting, by the burden of other duties, and by the initiative and perception of individual collectors.

The quality and extent of coverage in this field by Foreign Service and military representatives are not adequate. The Intelligence Area of the State Department is endeavoring to remedy the deficiency through the issuance of reporting guides and the incorporation of intelligence instructions in the Foreign Service Manual. Emphasis is placed on good political and biographical reporting and extended travel within assigned areas. Departing and returning personnel are briefed and debriefed, and cooperation between Foreign Service and military representatives is engendered through evaluation by the State Department of their joint weekly reports or "WEEKAS." An additional factor which holds promise for improved political reporting is the Foreign Service integration program, which will result eventually in extensive interchange of personnel between Foreign Service posts and positions within the intelligence area of the State Department.

The rapid rate of technological and scientific advance has introduced new requirements into the collection effort and for the evaluation of information. The importance of these substantive elements of intelligence is recognized, but it should not militate to depreciate the value of the less tangible elements which ultimately determine the course of world events.

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Conclusions

The most imminent threat to our national security lies in the military capability, the economic potential, and the political intention of the Soviet Union to wage war against us or any other nation with whom we are bound by mutual assistance ties. Our present condition of ignorance regarding these particularly vital items stems from the ineffectiveness of our intelligence effort. If and when the security of the Soviet Union is broken sufficiently to collect accurate information on these subjects, our own courses of defense and political action can be established with firmness and assurance. In the interim, such measures as we do take must include a calculated risk, as they are based on uncertain and limited intelligence.

The growing urgency for scientific and technological intelligence extends also to the political, cultural, and sociological fields. (pp.247,248)

Recommendations

That the intelligence community actively give recognition to this primary intelligence target; i.e., the Soviet Union, and take such actions as are necessary to present a concerted effort for the single purpose of breaking this vital intelligence block.

That the State Department's programs for integration and expansion of the Foreign Service and for acceleration of language and area training be pursued vigorously.

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## IX PERSONNEL

### Scope of Survey

The task force survey in the field of personnel management was limited by special considerations. Limitations in time and other resources available precluded a manpower survey. It was also necessary to take cognizance of the fact that there were concurrent "across-the-board" inquiries being conducted by the Task Force on Personnel and Civil Service and by the Subcommittee on Special Personnel Problems in the Department of Defense. In addition, the State Department was found to be in the process of implementing the recommendations contained in the Wriston Report.

Therefore, to avoid duplication of effort, the task force limited itself to the common problems in the field of management in which the intelligence community was peculiarly concerned, such as selection, training, morale, and adequacy in numbers; special problems, such as shortages in language experts and specialists; civilian-military relationships; special mobilization problems relating to security considerations.

Greater emphasis was placed on the personnel problems involving military personnel, as the general civil-service problems being considered by other elements of the Hoover Commission applied to the civilian intelligence community. However, civilian problems peculiar to intelligence were considered.

Career Management Problems - Military

All three services follow almost identical procedures in the selection of personnel for assignment to intelligence duty. In general, there is no career service as such; individuals are assigned on a rotation basis for operations and training in a field which is very important to them as potential combat officers. For key posts and billets on the departmental level, in technical fields and in the attache system where special individual requirements must be met, careful selections are made based on experience, qualifications, and abilities in intelligence. Every effort is made to insure that outstanding qualifications are utilized to the utmost; in other words, operational considerations are paramount. In assignments at lower levels and in nontechnical fields, the training needs of the individual and rotational requirements are the main considerations. This imposes a considerable training program on the intelligence activities, as qualified individuals are hard to find.

The establishment of a completely separate intelligence corps for career purposes does not appear to be desirable for regular military personnel. The general feeling among the services seems to be that rotation in assignment to billets outside of pure intelligence, in order to provide experience in the practical use of intelligence and develop the "consumer" point of view, over-rides other considerations. There is an implied fear of such a corps developing into an "ivory tower" group which would not generate useful or realistic intelligence, and thus completely fail to meet service requirements. However, there is a need for a limited number of specialists in this field, and the Army has adopted

a modified career system known as the Intelligence Specialization Program. Officers accepted for this program are given the same consideration for promotions and for attendance at service schools as that given to other officers of like rank, service, and age, and receive duty assignments as staff intelligence officers, attaches, and in such intelligence units as the ASA and CIC. The Navy and Air Force have similar programs. In their reserve programs, the Army and the Navy incorporate an intelligence group, the need for which will be discussed later in this report.

The intelligence community requires a high order of ability and broad experience, especially in the senior grades, to insure appreciation of "consumer" requirements, appreciation of the capabilities and limitations of the available means, and vigorous leadership and direction toward coordinated and integrated use of available means. In the past, this type of leadership has not always been present in the intelligence agencies of the services. There have been implications that too much weight in key intelligence posts has been given to the rotational needs of high ranking officers rather than to selection based on natural gifts for and experience in the field of intelligence. The emphasis placed on intelligence since World War II has resulted in greater care by the services in the selection of the best qualified officers for key intelligence billets. There is still room for improvement, however, and the task force believes that periodic surveys of the personnel assignment policies of the services should be made, with a view to insuring that the requirements of the intelligence community are adequately filled.

In the general area of intelligence training, all the services have a graduated system of schools in operational intelligence for the instruction of military personnel. For example, in the Army, adequate emphasis is



placed on intelligence training in the U.S. Military Academy, in troop schools, in schools of the combat arms and services, the Command and General Staff College, and the Army War College. There are also many related programs common to all services, such as language courses in service schools, language and area courses in civilian colleges and universities, and special reserve programs. There is also joint training on the national defense level at the National War College, as well as joint participation in courses conducted by one agency, such as the course in Industrial Security recently activated by the Army in the counterintelligence school at Ft. Holabird, Maryland. This general training pattern appears to be adequate, except in language training, insofar as it relates to the exploitation of the facilities available in civilian educational institutions.

Language training in all services follows the same general pattern; that is, language courses conducted in various intelligence schools of the services and participation in college courses. The Army affords language instruction at the Army Language School at Monterey, California, at the Army Intelligence Center, Ft. Holabird, Maryland, and uses the facilities of the Naval Language School and the Foreign Service Institute, both located in Washington. At Monterey, courses are from one year to forty-six months in length, covering 24 languages, with plans for teaching 82 additional languages as needs develop. The course at Ft. Holabird is designed primarily for counterintelligence corps personnel. Army students under the Foreign Area Specialists Training (FAST) program receive one year of language training at a service school and then go on to a college or university for approximately one and a half

years for special studies relating to the economic, political, and geographic conditions of a particular area or country. These students, on completion of course, are usually assigned as attaches or to military missions in appropriate areas.

The language programs of the Air Force and the Navy are, in general, similar to that of the Army, and there are several commendable instances of coordination in training. The facilities of the Foreign Service Institute are used extensively by the military services in language and area training. Army and Air Force students stationed in the East use the facilities of the Navy Language School in Washington. The Army is beginning a course in Industrial Security for all the services at Ft. Holabird.

There are many problems, some of which are critical, in language training. The language training of short-term draftees is of limited value, as terms of service are usually over when training has been completed. In addition, draftees are interested only in studying languages for which there is some market in the commercial world. There is obviously no market for Russian. The major difficulties in the development of adequate linguists are time and personnel. Until a long-range program is developed and adopted by the military, the effort will be spasmodic and puny, and deficiencies will exist in this field.

Some problems in language training to meet the requirements of the services have been resolved on a "crash" basis by resort to the use of foreign nationals. This was done in Korea. This reliance on foreign nationals as translators is always open to question as to the authenticity

of translations and to the availability of the translators when they would be most needed in an emergency. Many of them would not like to be associated with our armed forces in time of war, and others might resist evacuation for security reasons to areas other than their home areas. To put any great reliance on this source is questionable, although it is realized that often there will be no other alternative.

Our present reserve training programs should be used to encourage our educational institutions to place greater emphasis on language training. This objective might be attained by greater emphasis on the part of all services on the Special Intelligence Reserve Programs. Thought should be given also to using the present ROTC programs to encourage language training by civilian institutions.

One of the problems affecting the present ROTC programs is the lack of academic credit given by the educational institution for ROTC courses. For example, engineering colleges usually give only about one-half as much credit for ROTC courses toward engineering degrees as are given for equivalent-time courses in other areas of the university. This reluctance to grant credits is largely due to the fact that the college faculty does not usually participate in the ROTC courses. If credit were offered toward reserve commissions for the completion of selected language courses offered by the college, the student would be encouraged to take the language courses, and the college faculties would be given an opportunity to participate in the ROTC course. As a further incentive to the student, he would be receiving double credit for the time spent in the language course, credit toward fulfilling his ROTC requirement, and also credit toward fulfilling his requirements for a degree. This would not only

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make the language courses popular, but would also greatly enhance the desirability of ROTC training to the student. The advantages of the use of the ROTC for this purpose are obvious. Use for language purposes will be made of a reserve program already in being, and at the same time certain critical language courses will be strengthened by creating a demand for them, a demand which the colleges would be only too happy to meet. On the post-graduate level, ROTC graduates who have demonstrated language proficiency could be required to fulfill their reserve obligations by engaging in the Special Reserve Intelligence Program. It is believed that serious consideration should be given by the services to the exploitation of their ROTC and reserve intelligence programs for language training purposes.

The problem of retaining in the services short-term enlistees or draftees, on whose training much time and money have been expended, is, of course, applicable to many fields other than languages. However, it has a special significance here because of the time required to attain proficiency and the natural lack of interest of the student in languages of limited commercial value, such as Russian or Chinese. The courses in Russian require from 18 to 46 months, and the services realize very little from short-term enlistees in these courses. Perhaps some use of these students could be attained through additional inducements such as special enlistment bonuses for reenlistments for short periods. If this is not feasible, such individuals should be required by law to enroll in reserve training on expiration of their term of service. It is believed that reserve legislation now being considered by Congress, with the purpose

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of putting more "teeth" into the laws governing reserve service, would accomplish this purpose.

It has been said in some quarters that officers rarely seek intelligence assignments and that many ambitious officers considered such an assignment harmful to their careers. This attitude still persists among some older officers interviewed by the task force, but among younger officers there does not seem to be any general resentment toward assignment to intelligence duties. Older officers still remember the pre-war days when high-level assignments in intelligence were often made solely on the basis of language capabilities, and when tactical troop commanders, unappreciative of the value of peacetime intelligence, often assigned their weaker officers to this duty. Since World War II, the services have become more "intelligence conscious" and greater recognition is now being given to the value of experience in the intelligence field. This task force believes that the morale of military personnel in the intelligence community of the services is good and will improve with measures now being considered for the whole military service.

The task force has observed that there is some dissatisfaction among military people assigned to the Central Intelligence Agency. That agency is fully aware of this situation and is taking positive remedial steps. A recent survey indicates that about 30 percent of the officers interviewed were critical of the Agency to some degree. Most of the criticisms were related to malassignments, and to the fear that such assignments would jeopardize military careers because of the letter-type efficiency reports used and the isolation of the individual from his service. With reference

to malassignments, the Agency is taking remedial action in the form of improved screening procedures in close collaboration with the services, in setting up a short probationary period, and in requiring operating chiefs to pay close attention to relative rank in making assignments. In the matter of the use of letter-type efficiency reports, the Agency has determined and publicized the fact that in the Air Force and Navy such reports are given the same weight as the regular types. With reference to the Army, which uses the Officer Efficiency Index (OEI), a different situation exists calling for the use of the Army Efficiency Report. To date, such use has been strongly opposed by the Army on the basis of probable misuse by civilians unfamiliar with its implications. The Agency has taken the stand that the fear of probable misuse is the lesser of the two evils and intends to continue pressing for its use. Much has been accomplished by the Agency in handling matters relating to the welfare of enlisted men and their families, and enlisted men seem to be pretty well satisfied. As far as officers are concerned, the task force believes that everything within the capabilities of the Agency is being done to meet their objections, and that their morale is neither better nor worse than it is in the Pentagon, and for somewhat identical reasons.

#### Career Management Problems - Civilian Personnel

The recommendations of the Task Force on Personnel and Civil Service, and those of the Subcommittee on Special Personnel Problems in the Department of Defense, especially as they relate to selection, qualifications, training, promotions, pay, and other incentives for civilians, will, if adopted, go a long way toward correcting many of the deficiencies observed by this task force. This task force supports the recommendations

for a Senior Civil Service as they relate to management positions in top-level organizations in the intelligence field. The career status as visualized in administrative and management posts would improve the flexibility in the assignments of key civilian personnel necessary to worldwide operations of intelligence agencies, as well as enhance the prestige of the individual. The recommendations of the Task Force on Personnel and Civil Service that Congress encourage, and provide the funds and authority for, training of civilians at nonfederal establishments will facilitate the training of civilians in language and in the application of electronic devices in the collection and production of intelligence. The recommendations with reference to better personnel practices, as they apply to simplification of reduction-in-force procedures and policies, are particularly applicable to the intelligence field, and are supported by this task force, as well as those relating to improvements in the merit system, with the purpose of raising the prestige of public services. The impact of these recommendations of the Task Force on Personnel and Civil Service in the intelligence field is so obvious that further comment is unnecessary here.

There are two problems, however, which have been repeatedly brought to the attention of this task force; namely, the dearth of qualified civilian analysts, and the unsatisfactory aspects of certain military-civilian relationships. There is a dearth of qualified analysts in the intelligence community as a whole, largely due to inadequate pay scales and the resultant turnovers in search for better paying jobs, to reductions-in-force for budget reasons, and to difficulties in recruitment. The military services cannot compete with the commercial world in salaries, and there is unequal competition between agencies in the intelligence

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community. Some agencies, such as the CIA, have been able to pay higher salaries. While there is no evidence of direct proselyting, there has been considerable shifting between agencies as higher paying jobs are uncovered through the "grapevine." This is an unhealthy condition which could be corrected if adequate inducements could be offered by the losing agency. Excessive turnovers are generated as a result of cutting expenditures by reductions-in-force on an "across-the-board" basis, a process which is often repeated in the services during peacetime, often without regard to the relative value of the activity to national defense. The need for intelligence in peacetime should be given its proper weight, and intelligence agencies should be allotted sufficient funds to recruit and retain qualified civilian personnel.

The recruitment and retention of civilian analysts presents difficulties other than those relating to salary. Incentives are lacking - incentives primarily relating to prestige. It is well recognized among the military chiefs in the intelligence field that much of the basic research and production is done by long-term civilian analysts, and that these analysts carry a real responsibility for the value and accuracy of the intelligence product. However, since they are working in military organizations, this responsibility is not reflected in organizational charts. Outsiders are prone to give all of the credit to the military occupants of overhead jobs. Most civilians appreciate the necessity for anonymity and for the assignment of top command jobs to the military, but often feel that they are overlooked in day-to-day relationships. Military chiefs should be especially careful to avoid interposing too many military channels between



them and their analysts. Military personnel should avoid drawing any civilian-military "lines" in the social affairs of the intelligence community. Care should be taken to avoid partiality toward the military in the assignment of such perquisites as office and billet space, transportation, stenographic help, etc. Further, the military chief should acquaint himself with the civil-service regulations regarding promotion, so that he will be in a position to aid in the promotion of his civilians as well as the military personnel. He should be particularly careful to remember his civilians in matters of awards, citations, and letters of appreciation; in other words, make the civilian aware of his importance as a member of the team. These considerations are basic, and it is fully realized that they apply in equal measure to civilian-military relationships throughout the Department of Defense. They are mentioned here because the task force believes that many long-term analysts have transferred in recent years to civilian agencies, such as the State Department and the Central Intelligence Agency, because of the failure of military chiefs to appreciate the importance of making the civilian feel the value of his contribution.

Some consideration should be given to the use of retired officers as intelligence analysts. Through the operation of the Officer Personnel Act of 1947, many well qualified officers are being forcibly retired in their early fifties because of not being selected for promotion. It is believed that many of these would be interested in voluntary employment as civilian analysts if offered suitable remuneration. The present laws covering the Federal employment of retired personnel would have to be amended to permit payment of salaries which would attract such personnel. Only 5-year contracts should be offered to insure the infusion of new blood and current

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knowledge of military requirements. Applicants should be carefully screened on the basis of experience and capabilities. This program would result in savings to the Government, and it would exploit a source of several hundred people which has hardly been touched. The same considerations would apply to retired enlisted specialists, especially in the electronics and communication fields.

#### Need for a Civilian Career Service

A need for a civilian career service in the intelligence community has been expressed in some quarters, especially in view of the career service now being instituted in the Central Intelligence Agency. The thought has been expressed that the intelligence agencies of the military services are placed at a disadvantage in competition for the services of specialists in critical fields. While this disadvantage evidently exists, the same argument could be presented for special career services in any of the "support-type" operations of the military services. It is believed that administrative difficulties inherent in setting up a system on other than management levels are over-riding. The recommendations of the Task Force on Personnel and Civil Service, especially as they relate to a Senior Civil Service, will aid materially the intelligence community and are supported by this task force.

The task force believes, however, that some provision should be made to facilitate the interchange of civilian employees within the intelligence community for the purpose of orientation, familiarization, indoctrination, and area training without serious jeopardy to the individual concerned. Oftentimes, there is a necessity for the utilization of civilian specialists in foreign intelligence activities with military

rank and cover. It is often desirable to dispatch civilians overseas at short notice, and to bring those employed overseas back to the Zone of Interior. Since intelligence civilian positions overseas (attache and theater commands) are currently in the excepted service category and the majority of departmental and Zone of Interior positions are subjected to the competitive service, there can be no interchange on a transfer basis. Greater use by the Department of Defense of Schedule A in the employment of civilian specialists for the Zone of Interior would correct this situation to some degree, as well as facilitate the recruiting of specialists in cases where civil-service regulations are unduly restrictive.

Because of the special nature of the peacetime mission of the Central Intelligence Agency, a civilian career service is absolutely necessary. Security considerations and the far-flung nature of the Agency's peacetime operations, the necessity that its personnel be available immediately for service anywhere at any time, would make the procurement and retention of personnel impossible unless the advantages inherent in a career service were available. The Agency has made great progress in implementing a career service outside of civil service, and shall have completed the job in about ten months, according to present estimates. The plan as conceived and set up by Agency personnel in close collaboration with the Civil Service Commission follows civil-service procedures and policies very closely, with the exception of considerations relating to discharge. By law, the director has the authority to summarily discharge personnel at any time for reasons of national security, without prejudice to the individual insofar as seeking positions elsewhere in the Government is concerned. The plan is well conceived and is being efficiently executed.

The task force was advised of the details of legislation which the Agency is requesting. This legislation would authorize its civilians serving overseas home-to-work leave, dependent medical care, and would provide allowances for the education of their children. It is understood that these proposals are under consideration in the Bureau of the Budget to determine their applicability to personnel in other Government agencies. The task force wishes to associate itself with the proposals of CIA in this regard providing the same privileges are accorded to civilian employees of other intelligence agencies and departments serving overseas.

#### Adequacy of Strength of Personnel

The question arises as to whether the armed services have allotted the proper proportion of their personnel to peacetime intelligence. This task force has observed deficiencies in many areas. In the Office of Naval Intelligence, it was observed that, while one-half again as many requests for intelligence are being presently processed as were requested at the height of the Korean War, the personnel engaged have been reduced because of recent economy drives. A similar situation exists in G-2, Army, where it was noted that the collection and production activities were definitely understaffed in the light of existing backlogs. This was particularly true of the USSR bloc of the Production Division, where a large backlog exists in spite of the fact that over 50 percent of the personnel assigned to the division are in the USSR bloc. The Plans Branch of the Collection Division in Army G-2 is usually so busy with "crash" operations problems that it has very little time to give thought to devising new methods of collecting intelligence concerning the USSR, something that is badly needed, as the results of present methods are practically nil. There is no doubt that some of the deficiencies observed can and should be corrected

by administrative measures relating to better organization and reallocation of present personnel strength. What is really needed, however, is a reevaluation on the national defense level of the importance of intelligence in peacetime, so as to avoid the impact of across-the-board economy drives requiring undue reductions-in-force in our centers of intelligence.

Peacetime is obviously the best time for the production of departmental as well as national intelligence. When war begins, it is too late to fully exploit captured Soviet arms and equipment and to acquire the knowledge of topographic and climatic conditions so essential to success in combat operations. In addition, intelligence produced for future use in combat is of great value as basic intelligence for use in planning on the strategic level and may even preclude our becoming embroiled in hostilities. Economies effected by cutting expenditures and making personnel reductions on an across-the-board basis in our peacetime intelligence structure are generally false economies, and any decrease in the budget allotted to intelligence in peacetime should receive very serious consideration.

On the other hand, the services can obtain more efficient utilization of personnel available by more equitable distribution of the workload, and by reorganization with a view to eliminating some of the excessive overhead that now exists as the result of compartmentalization. There can be more cross-servicing between sections to reduce backlogs and more use made of stenographic pools. There are too many managers, liaison men, briefers, reviewers, and coordinators in comparison with the number of productive people.

Mobilization Problems Relating to Security

Apparently, little thought has been given to the coordination in personnel procurement plans to avoid the impact of the time-lag involved in our present security clearance requirements for the filling of sensitive positions in time of emergency. Executive Order 10450 requires a full field investigation for such positions, with a provision for limited-time clearance in emergencies, pending completion of full field investigation, at the discretion of the head of the agency or department. At present, the backlog in the Army on full field investigations is such that six to nine months are required for completion. This time-lag will affect materially the procurement in time of emergency of additional personnel in the highly sensitive intelligence field.

The Central Intelligence Agency is working closely with the Office of Secretary of Defense insofar as military personnel are concerned, and is now in the process of compiling a "Military Occupational Specialty" (MOS) breakdown and lists of reserve personnel, to include a plan for point credits toward reserve retirement. The civilian requirements have hardly been touched, however. All of these agencies will be demanding, on high priority, the services of similar personnel. It is believed that a real problem exists here that should have the benefit of advance coordinated planning.

### Conclusions

The establishment of a completely separate intelligence corps for career purposes does not appear to be desirable for regular military personnel. The Intelligence Specialization Programs and the limited career systems now employed by the military services meet the present needs of the services for specialization. (p. 256)

There is a scarcity of qualified linguists to support the intelligence effort, and the potential of American educational institutions has not been fully exploited to meet this need. (pp. 259, 260)

At present, the intelligence community of the services is getting its share of highly qualified military personnel, but there is always a danger that its needs may be overlooked. (p. 262)

Many well qualified civilian analysts have transferred from the military services to civilian agencies because of some faulty personnel management practices in the services, and because the services are hampered by certain civil-service requirements. (pp. 261, 265)

There is a dearth of qualified analysts in the intelligence community, a condition that could be alleviated to some degree by more extensive employment of well-qualified retired military personnel. (pp. 261, 266)

The intelligence agencies have been impaired by across-the-board reductions-in-force to effect peacetime economies. (pp. 269, 270)

Little thought or effort in planning has been given to the impact on personnel procurement in time of emergency of the time-lag involved in our present security clearance requirements for filling sensitive positions. (p. 271)

Recommendations

That the Department of Defense -

Give serious consideration to the exploitation of the ROTC and reserve intelligence programs for language training purposes by offering credit toward reserve commissions and drill credits respectively for the completion of selected language courses.

Conduct periodic surveys of service personnel procedures to insure that adequate consideration is being given to the requirements of the intelligence agencies for their share of the best qualified military personnel.

Require that the military services study the problem of improving the prestige of the civilian analyst vis-a-vis his military colleagues.

Facilitate the employment as intelligence specialists of qualified retired military personnel by initiating action toward amending the laws concerning Federal employment of retired military personnel, with a view to removing the present ceiling on the Federal pay of such individuals.

Give serious consideration to more extensive use of Schedule A in the employment of civilian analysts and other intelligence specialists, in order to provide the necessary flexibility in the recruitment of qualified civilian personnel by the military services, and to facilitate the interchange of such personnel between the Zone of Interior competitive service and the overseas excepted service.

In the consideration of future economies, give proper weight to the importance of intelligence in peacetime, so as to avoid serious reductions-in-force in our centers of intelligence production.



Take prompt action to insure that proper consideration in personnel planning is given to the impact of the time-lag involved in our present clearance requirements for filling sensitive positions.

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Scope of Survey

In the conduct of this survey, the task force assiduously endeavored to keep its effort focused and to expend its time and resources in the accomplishment of the specific duties assigned to it by the Hoover Commission -- to study and investigate the present organization and methods of operation of the members of the intelligence community and to determine what changes, if any, would be necessary or desirable.

This detailed study of the policies, functions and procedures of the departments and agencies collecting and handling intelligence data, as outlined to us by the Commission, did not necessarily entail the investigation of the security angle of individual cases.

However, since the character of personnel affects these intelligence functions, we faced squarely the issue of individual cases brought to our attention from various sources. A number of names came to us with supposedly derogatory information or merely with derogatory implications.

When any such information or any name was brought to our attention from any source concerning individuals employed in the intelligence field, or even if not so employed, every case except those obviously without merit was referred by us to the Federal Bureau of Investigation or, where appropriate, to the responsible intelligence agency, or to both, with a request for a report.

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Up to the time this report was prepared, some replies to our inquiry developed information to the effect that the records contained no adequate basis for suspicion of the individuals as security risks. Some replies indicated that the individuals were under investigation and that the investigations were continuing. One of the individuals is on leave without pay, pending completion of an investigation now in process and appropriate disposition.

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### Basic Directives

There are three directives on which the security measures of the various members of the intelligence community are based. They are Executive Order No. 10450, which relates to personnel clearances; Executive Order No. 10501, relating to the security classification of material; and "The Armed Forces Industrial Security Regulation," issued January 15, 1953, by the Department of Defense and applicable only to civilian concerns performing contracts for the military services. In addition, there are various rulings of the Attorney General, policy directives of individual agencies, and legal enactments which affect security procedures. From pronouncements contained in these documents, the various agencies issue policies and regulations which guide and control their security effort.

### Organizational Arrangements

The positions of the security activities within the various agency organizations differ widely.

Army. Security functions are placed in a division within the Office of the Assistant Chief of Staff, G-2 (Intelligence). Investigations of military personnel are conducted by the Counter Intelligence Corps, and of the civilians, by the Civil Service Commission.

Navy. Activity in this area is placed in the Security and Security Controls Division, ONI, which is directly responsible to the Director of Naval Intelligence. Investigations of military personnel are conducted or controlled by the Investigations Branch, which is also part of the Office of Naval Intelligence. Investigations of civilian personnel are made by the Civil Service Commission.

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Air Force. Security and investigation activities are placed under the Inspector General, USAF, and his deputy for security. They are completely separated from the positive intelligence activities, except for liaison contacts. Industrial and installations security responsibilities are given to the Air Provost Marshal, and military personnel investigations and counterintelligence are functions of the Office of Special Investigations. Civilian personnel investigations are conducted by the Civil Service Commission.

State Department. Security responsibilities are discharged by the Bureau of Security and Consular Affairs and are not included as functions of the Intelligence Area. Under the Bureau of Security, the Office of Security is responsible for the physical and procedural security of the Department of State's establishments, both at home and abroad. Investigations of both personnel and security matters are also conducted by this office.

Federal Bureau of Investigation. The entire operation of this agency is involved in security and it functions in every aspect thereof.

Central Intelligence Agency. The Office of Security has the responsibility and performs the necessary functions in this area under the policy control and guidance of the Deputy Director (Support).

Personnel

Policies and procedures for enforcing security measures related to personnel are universally similar in the different agencies concerned (FBI, ONI, G-2, AFOIN, CIA, State). The major obstacle in this area is the load thrown upon investigative activities in providing personnel

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clearances. Backlogs exist in all agencies in this area, and the time required to complete clearance checks runs up to fifteen months for a full background investigation in one agency.

In this same area, three problems have arisen for which no firm solutions have been achieved so far. One is connected with the subversive organizations lists which are issued from time to time by the Attorney General. The difficulty connected therewith is in effecting a resurvey of personnel in the Armed Forces who have already signed loyalty certificates (DD Form 98) which did not include the organizations designated later by the Attorney General. The administrative effort involved in recircularizing all members of the Armed Forces each time a new list is issued would be a costly and elaborate one.

Another problem faced by security review personnel is the matter of weight to be given to derogatory information concerning the activities of families of military personnel at periods well in the past. There is no yardstick provided for the evaluation of such information, which results in a lack of uniformity of action among the agencies in this regard.

The third problem area developed is in the field of industrial security, which involves the matter of providing security clearance for an estimated three to six million employees of defense plants. The Department of Defense has issued instructions (Industrial Security Manual for Safeguarding Classified Information) which describe the procedures to be followed in safeguarding information. Spot checks are made to insure compliance. For those working on material classified

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as secret and above, the procedures are well laid out and are feasible of accomplishment. When it comes to the employment and clearance of employees on confidential classification work, the system now in use, whereby employers, previously cleared by the military services, clear their own people, is recognized as being weak and insecure. However, for the military agencies to undertake such a comprehensive investigative task would require the employment and training of a large number of people, which alone would require an extensive time-lag and great expense. The attitude has been to take a calculated risk in this area with major reliance placed on keeping known subversives out of employment on classified material. It is the "sleeper" who outwardly is not associated with any subversive group or activity who creates the danger. To develop the presence of such employees, the entire body must be checked and screened, and this is a major undertaking. There is presently in the hands of NSC a study prepared by the Secretary of Defense which makes certain recommendations intended to improve the security situation in the confidential classification area.

#### Frequency of Security Checks

Army. There is no periodic recheck made after original appointment of officers or civilian employees. All newly commissioned officers, including those in the Reserve and National Guard components, are given a National Agency Check prior to appointment. Officer and enlisted personnel are given further security checks when assigned to duty requiring handling of classified material, or when transferred from one assignment to another within the intelligence area. Everyone must sign DD Form 98 (loyalty certificate).

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Navy. There is no established policy regarding rechecking of previously cleared personnel. The same system applies here as in the Army for those being assigned specifically to duties involving handling classified material.

Air Force. No established policy for rechecking personnel. Same procedure applicable as in the Army in duty assignments involving classified material.

State Department. At the present time, this department is 97 percent complete on giving all employees an original clearance check. As yet, no policy has been firmly established for rechecking, although consideration is being given to doing this on a four or five-year basis.

Central Intelligence Agency. No periodic program for rechecking personnel. However, new security checks are made on the occasion of reassignment to new areas and stations or on promotion.

Federal Bureau of Investigation. The FBI, through its personnel reporting system, considers that it has an annual recheck of security.

Surveillance of Personnel After Separation from Duty with  
Military Intelligence

There is no attempt made by any of the military services to maintain surveillance over personnel separated from duty with military intelligence. However, the information on anyone, military or civilian, separated from any military service on charge of a crime or question of loyalty is turned over to the FBI if the person is in the United States, or to the CIA, if abroad.

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### Facilities

In the military services, security is considered a function of command. Commanding officers of military facilities and installations are required to provide and maintain the proper security measures in accordance with the provisions of Executive Orders Nos. 10450 and 10501. Each military service has certain elements, such as the CIC in the Army, who are assigned the job of checking these various facilities for compliance with these orders. The State Department has a security office which has operatives to effect the same inspections. CIA's procedures in this area are similar to those of the Department of State, with inspections made under the direction of the Office of Security.

The security of industrial facilities is the responsibility of the individual owners. When they are handling classified material, however, they are subject to the provisions of Executive Order 10501. The compliance of the contractor with this order is checked by the operatives of the service for whom the contractor is performing the work.

### Training

The Army is establishing a course at Ft. Holabird, Maryland, which will provide training for security officers, both military and civilian, in the techniques of checking security measures. This course will be available to all the military services and undoubtedly to other agencies if requested. It will be of three-weeks' duration and will accommodate 39 members per class.

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### Application of Laws and Regulations

The task force examined the policies and procedures issued by the departments and agencies surveyed in implementation of the executive orders concerning security and is of the opinion that they are realistic.

### Conclusions

The continued employment in an intelligence organization of an individual about whom sufficient doubt concerning his security has been raised during the conduct of an investigation - although the investigation is still in process - represents an unjustifiable risk to the national security, even though such individual is placed in a nonsensitive position.

The danger of breaking intelligence security always exists in spite of the aggressive and extensive preventive measures instituted. The departments and agencies of the intelligence community give evidence of recognizing this danger. It is considered that the standards established are reasonable in extent and effective in application except as they relate to the periodic rechecking of personnel employed in dealing with sensitive material. (pp. 280, 281)

### Recommendations

That any individual employed in an intelligence organization about whom sufficient doubt concerning his security has been raised during the conduct of an investigation - although the investigation is still in process - should be removed from employment pending final determination of his case. Findings and proposed disposition of those cases which were reported as still in process at the time the survey by this task force was concluded should be reported to the President.

That measures be instituted in all agencies to recheck the security status of all personnel engaged in intelligence activities at periodic intervals not to exceed five years in any individual case.

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## XI COUNTERINTELLIGENCE

### Background

Counterintelligence has been defined as "that phase of intelligence covering all activity devoted to destroying the effectiveness of inimical foreign intelligence activities and to the protection of information against espionage, personnel against subversion, and installations or material against sabotage." (Dictionary of United States Military Terms for Joint Usage, 2d Rev., inc. Change No. 1)

Counterespionage is a term which is frequently used interchangeably with counterintelligence, but which actually by definition is not as all-inclusive as the word "counterintelligence." It is defined as "a category of counterintelligence, the objective of which is the detection and neutralization of foreign espionage, its operations, techniques, communications, and personnel." (Dictionary of United States Military Terms, *supra*).

We are dealing here with the broad term "counterintelligence," which represents the methods or procedures used in preventing our enemies from learning our secrets and/or damaging our facilities, and the results of those procedures. Thus, counterintelligence is a function of security.

As far back as 1939, President Roosevelt recognized the necessity for establishing some direction to the counterintelligence effort in the United States. This need became evident as a result of the efforts of the Dies Committee, and President Roosevelt, by executive order, directed the FBI to coordinate and conduct domestic counterintelligence activities.

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In 1949, based upon authority contained in the National Security Act, the National Security Council (NSC) formally established two committees entitled the Interdepartmental Intelligence Conference (IIC) and the Interdepartmental Committee on Internal Security (ICIS). The IIC has been in existence since 1939 as a result of Presidential directives.

The IIC is composed of the Director of FBI, the Assistant Chief of Staff, G-2, Army, the Director of ONI, and the Director of the Office of Special Investigations, Air Force. This committee, by charter of the NSC, is restricted to coordinating investigations concerning espionage, counterespionage, sabotage, subversion, and other related intelligence matters. The matters for consideration by the IIC are restricted to consideration of domestic or Zone of Interior problems, in which CIA has no counterintelligence function. The CIA handles such matters in foreign areas, except where Armed Forces bases are established, and as a matter of further coordination, the CIA has a representative who, although not a member of the IIC, sits with the other members in its meetings.

The ICIS, also chartered by NSC, is composed of representatives of the Departments of State, Defense, Treasury, and Justice, and coordinates all internal security matters not specifically assigned to the IIC, such as port security, shipping and aircraft (civilian) control, security of communications systems, etc.

Responsibility for each one of the activities mentioned above is assigned to a specific agency, such assignments being arrived at by law or agreement among the members of the cognizant committee.

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In 1949, by mutual agreement of members of IIC, investigative responsibility in the domestic operations of counterintelligence was fixed under a "Delimitations Agreement" in accordance with which all agencies are successfully operating at the present time.

The ICIS, in collaboration with the IIC, after a lengthy study, reported to the NSC concerning the freedom which Soviet-bloc diplomatic people were allowed, in contrast to treatment given to our own diplomats stationed in bloc countries. They cited several instances where Soviet personnel in the United States were abusing the privileges granted. The NSC thereupon directed that restrictions similar to those imposed on our diplomatic officials should be imposed on Soviet-bloc diplomats and appointed a special subcommittee to implement this directive, composed of representatives of ODM, the Departments of Justice, Defense, and State, the Central Intelligence Agency, and the FBI.

#### Role of the Federal Bureau of Investigation

Many agencies of the Government touch upon counterintelligence. Background investigations of applicants for governmental employment would not be so prevalent were it not for the possibility of locating a leak or a potential leak in our security system. Civil Service investigators, the Coast Guard, the Narcotics Division of the Treasury Department, and many others are linked to counterintelligence; even the police departments of cities, counties, and states are alert to the possibility of sabotage and subversive activities. The Federal Bureau of Investigation, however, is the recognized center of the domestic aspect of internal security, including counterintelligence within the United States and its possessions. Its work and the adminis-

trative system under which it performs its functions are well known. The special agent is responsible to the special agent in charge, who in turn is directly responsible to the director. This placement of direct responsibility, plus the careful screening of applicants and training in continuously improving techniques, has produced an organization on which every other department or agency in the Government relies for some phase of its counterintelligence efforts to effect internal security.

#### Other Agencies

The close relationship between counterintelligence and security is further demonstrated in the physical arrangement of divisions within the Armed Forces, the State Department, and the Central Intelligence Agency, each of which has a group to perform counterintelligence within its jurisdiction.

#### Department of the Army

The Counterintelligence Corps of the Army is a responsibility of the Assistant Chief of Staff, G-2, who also establishes policy for security; and by definition (SR 380-310-1) counterintelligence "includes those aspects of military intelligence which relate to security control measures, both active and passive, and which are designed to insure the safeguarding of information, personnel, equipment, and installations against espionage, sabotage, or subversive activities of foreign powers and of disaffected or dissident groups of individuals which may constitute a threat to the national security."

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Although the Army Intelligence Center at Ft. Holabird, Maryland, is responsible for personnel assigned to the Counterintelligence Corps and holds the finished investigative files, the Security Division, G-2, is responsible for all policy matters pertaining to counterintelligence, monitors the program, reviews information obtained, and disseminates intelligence within Army staff channels. In the field, Counterintelligence Corps personnel are responsible to the army or command where assigned and perform all security and counterintelligence functions for their respective armies and commands.

#### Department of the Navy

The counterintelligence organization of the United States Navy dates from the end of World War I. The Navy, however, has no Office of Counterintelligence as such. This function stems from the Security Division of the Office of Naval Intelligence through the District Intelligence Officer of each command to civilians under contract to the Navy who do the actual work of investigations, surveillance, and checking for security of facilities. The Director of Naval Intelligence is responsible for and monitors the program. Within his office in the Security Division is an Investigations Branch which maintains a control of all investigations throughout the various naval commands. These investigations include not only those directed at protecting naval information and establishments from foreign espionage and sabotage, but also those involving any criminal offense against the Navy. This appears to be the result of a rapid growth of the Office of Naval Intelligence from a small integrated office just before World War II to a large enterprise at its peak in 1945, but still retaining intelligence,

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counterintelligence, and criminal investigations within its functions. At present, the Navy's greatest deficiency in the field of counterintelligence is the shortage of competent, trained personnel to carry the heavy investigative burden and resultant analysis of counterintelligence to assure the security of naval installations, contracting plants, information, and personnel. The liaison between the Navy and other counterintelligence agencies is very good, but additional competent personnel are required to execute its own responsibilities in this field.

#### Department of the Air Force

In the Air Force, the responsibility for counterintelligence and security is with the Director of Special Investigations (OSI) as part of the functions of the Deputy Inspector General of the Air Force. The counterintelligence effort of the Air Force is directed at protecting the Air Force establishment and operations, wherever located, just as the other services strive to protect their establishments and operations. The work is performed by the Counterintelligence Division of the Office of Special Investigations, Inspector General, United States Air Force.

#### Department of State

The Department of State does not have a counterintelligence division as such. Its Bureau of Security and Consular Affairs has an Office of Security, which handles all matters of security, including the investigative function usually denominated as counterintelligence. Investigations by this office are conducted on applicants for employment and on incumbents at home and abroad, and also, where requested, on matters pertaining to the Passport Office, Visa Office, and the Office of Munitions

Control.



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Central Intelligence Agency

NSCID No. 5 provides "that the Director of Central Intelligence shall conduct all organized Federal counterespionage operations outside the United States and its possessions and in occupied areas, Provided That this authority shall not be construed to preclude the counterintelligence activities of any Army, Navy, or Air Command and/or installation and certain agreed activities by department and agencies necessary for the security of such organizations." The agreed activities mentioned above do not appear to be included in the "Agreed Activities" paper promulgated as DCID 5/1 in January 1955, since that paper refers only to clandestine collection operations. However, the use of a double-agent for collection purposes by the services may be construed to be authorized. Uncovering an enemy agent and neutralizing him, if he is subject to the counterintelligence activities of the military installation, would be a military responsibility; yet, to put that agent to use to assist in the performance of that counterintelligence mission would, under the above directive, be the responsibility of the CIA, since such would then be counterespionage. No committees such as the Interdepartmental Intelligence Conference and the Interdepartmental Committee on Internal Security have been established to coordinate the overseas counterintelligence effort.

Apparent Restrictions

State Department policy requires that it be notified before an investigation is undertaken by any of the investigative agencies of a person in diplomatic status and insists that our counterintelligence agencies abroad recognize the sovereignty of host countries where they are located and refrain from covert investigational activities. These

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policies might appear to restrict counterintelligence activities. Actually, however, such is not the case. Where an agency has reason to conduct an investigation of a person in diplomatic status, clearance is readily given, and the fact that the State Department knows of the investigation only serves to smooth out a misunderstanding which might otherwise develop. This is only a matter of recognizing diplomatic status in accordance with International Law and Agreements, as also is the situation where recognition of a sovereign host country is concerned. Furthermore, in the latter case, liaison is ordinarily established with intelligence, investigative, and law enforcement agencies of the host country through which required information can be obtained.

The only other restrictive policy in this field is that of the CIA relative to nondisclosure of sources. The excellent liaison system of the FBI has overcome this restriction so far as internal security within the United States is concerned. Now, as a matter of practice, the CIA usually refers a domestic source to the FBI, the only exception being where the source is to be used in foreign intelligence work by the CIA.

#### Evaluation of the Effort

The agencies of counterintelligence recognize the present conflict of ideologies and the continuing effort of the Communist bloc to violate our security by infiltrating our Armed Forces, industrial concerns, scientific (research and development) establishments, and sensitive governmental departments and agencies. The overall organization of the counterintelligence effort in the intelligence community is sound and no unnecessary overlap or duplication was found.

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Conclusions

Effective cooperation among the departments and agencies concerned with domestic counterintelligence is provided through the operations of the Interdepartmental Intelligence Conference and the Interdepartmental Committee on Internal Security, supplemented by liaison channels which merit commendation. (pp. 284, 285)

The specific responsibility of each domestic counterintelligence agency, established in part by statutory authority, is made more definite by a "Delimitations Agreement" among the pertinent agencies, which prevents overlapping and duplication of functions in this field. (p. 286)

The Department of the Navy has urgent need for additional competent, trained personnel for investigative and analytical duties in the field of counterintelligence. (pp. 288, 289)

Overseas counterintelligence operations are conducted by the military services and CIA without the coordinating help or influence of committees as in the domestic situation. (p. 290)

Recommendation

That the Department of the Navy give due consideration to the requirement for additional competent and trained counterintelligence personnel in order to provide adequate security of its personnel and facilities.

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### **XIII MAPS AND LIBRARIES**

#### Maps

##### **Government Agencies in Mapping**

There are 35 Government agencies engaged in various aspects of mapping. Not all of them produce maps. Some, such as the State Department, collect data only, and some, such as the Tennessee Valley Authority, produce on a very small scale. The major effort is carried on by the three military departments: Army (Army Map Service), Navy, (Hydrographic Office), and Air Force (Aeronautical Charts and Information Center); the Department of Commerce (United States Coast and Geodetic Survey - hydrographic charts and topographic maps of coastal waters and land areas of the United States, its territories and possessions); the Department of the Interior (United States Geological Survey - maps of the United States for economic development purposes and for the public in general); and the Department of Agriculture (United States Forestry Service).

Only the three military departments and, for specific maps, the Central Intelligence Agency, are concerned with the production of maps as a national intelligence function; but direct communication is maintained with the other agencies to obtain whatever basic data or compilations are available so that duplication of effort is avoided. Moreover, where maps of areas of the United States are required by the services, they are obtained from the United States Geological Survey, and military information and grids are then applied by the Army Map Service.

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There is established within the Bureau of the Budget an "Examiner of Surveys and Maps," who coordinates all map-making programs in an effort to avoid all duplication or overlapping of functions. The examiner treats the agencies within the Department of Defense as a unit.

Over the years, there has developed, through mutual cooperation among the agencies, an Interagency Map Procurement Committee, on which are represented the map activities of --

- The Library of Congress
- State Department
- U.S. Army - Intelligence
- U.S. Army Map Service
- U.S. Navy - Hydrographic Office
- U.S. Air Force - Aeronautical Charts and Information Center
- Central Intelligence Agency
- U.S. Coast and Geodetic Survey (Commerce)
- U.S. Geological Survey (Interior)

The primary function of this committee is to insure cooperation among the members so as to prevent duplication in map procurement.

#### Department of Defense

The Department of Defense performs no actual mapping function. By directive, however, the Department retains an expert to study the research and development phase of the geodetic and cartographic program through 1960; and through the Joint Chiefs of Staff, the mapping effort of the military departments is coordinated.

The Joint Chiefs of Staff, by memorandum promulgated August 25, 1949, assigned specific responsibilities to the three services for mapping in accordance with their respective missions on land, sea, and in the air.

The Joint Chiefs of Staff also have established a Photo and Survey Section within the Joint Intelligence Group, which is responsible for expressing mapping and survey policy. Most of the effort of this group

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is directed toward the development of plans for mapping in support of the following three plans:

A short-range plan on the capability of the Soviet and its satellites to make war and the probable courses of action. The present plan covers 1955 and 1956.

A medium-range plan on the same subject for 1956-57.

A long-range plan on the same subject - 1958 to 1964.

Other projects under the sponsorship of this section include a worldwide survey for the purpose of tying together the basic grid arrangement of world mapping. This requires the use of advanced methods in aerial surveying and an increased effort in the collection of map data, particularly as concerns geodetic locations. The section has arranged an allocation of cartographic contractors in the event of war, by agreement among the services, so as to preclude competitive bidding for the production facilities of contractors, thus upping the price. It has sponsored a ready supply source by establishing a standby map depot, which, unfortunately, is located in Omaha, Nebraska, within a nuclear bomb damage radius of the headquarters of the Strategic Air Command.

To facilitate accessibility, a standard indexing system of photographic prints has been agreed upon by the services, and the two existing print libraries will be moved presently into the Pentagon. However, after the move, the Navy's facility and approximately six million prints will remain under the control of the Navy, and the Air Force-Army Library, with its 17 million prints, will continue under the jurisdiction of the United States Air Force.

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Department of the Army

The Army has the responsibility for procuring and evaluating source material and operating a library of maps, geodetic and astronomical position data, and related publications for the common use of the three services; producing and supplying standard and special maps for general use of the Department of Defense and combat operations on land, including the Army phase of airborne operations; compiling large-scale topographic bases of land areas for the common use of the three military departments; and estimating requirements and specifications for aerial photography and the use of airborne electronic control for production of those maps which are a responsibility of the Department of the Army.

The Army has the overall responsibility for furnishing ground maps to all services and agencies and for obtaining all geodetic data for maps. Within the Army, the Army Map Service of the Corps of Engineers provides this service.

SR 11-10-50, which promulgates Army Program No. 5, specifies that "the Assistant Chief of Staff, G-2 will develop and coordinate policy pertaining to operating plans for the production and supply of maps, terrain models, geodetic data, and related materials required by the Department of Defense and the three military services, and will monitor the preparation of, and furnish to other services concerned, Army requirements for aerial photography and electronic control by airborne means for the production of maps and related materials."

Also, G-2 prepares and distributes a statement of military mapping priorities worldwide, based on requirements established by the Assistant Chief of Staff, G-3. Thereafter, the Chief of Engineers takes care of "maps, geodetic data, and aerial photography collection, procurement and production as required by G-2."

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The Chief Signal Officer provides for the copying of still and motion pictures for intelligence purposes. Commanders of overseas commands are responsible for theater-wide collection of existing foreign map and photo intelligence, as well as for production of maps and related material of their respective areas of interest within their capabilities.

The cost of military surveys and maps, including that of the Army Map Service, charged against the budget supported by military intelligence is as follows:



Unusual expenditures are required to meet urgent demands for maps of a particular area, as in the recent Guatemalan episode. The Army Map Service was called upon to produce maps of this area on an emergency basis, for which funds had not been previously acquired.

It is difficult to obtain funds for new items such as plastic relief models, which are a definite improvement over the older-type contour maps. This form of map proved its value in Korea, but difficulty has been experienced in acquiring funds to extend its application.



### Department of the Navy

The Navy's responsibility is similar to the Army, except that it covers charts for sea, amphibious, and aeronautical navigation, and coordination with the Air Force in the production of charts and related documents for primary use in tactical air operations. The Office of Naval Intelligence coordinates the intelligence aspect of all naval charts and is ultimately responsible for collection of necessary data not otherwise available. The Hydrographic Office produces all charts for which the Navy has production responsibility.

### Department of the Air Force

Similarly, the responsibility of the Air Force is tied to its mission in the air. More specifically, however, the Air Force procures source materials and operates a library thereof for primary application to aerial warfare; furnishes aerial photography for the Army and the Air Force, and maintains a library of aerial and terrain photography; produces aeronautical charts for aerial warfare; and furnishes for the three services ground control secured by airborne electronic means and reduces it for aeronautical charting.

Its research, development, compilation, production, and distribution is provided through the Aeronautical Charts and Information Center, St. Louis, Missouri, and Washington, D.C., staffed as of February 28, 1955, with 3,282 civilians, 83 officers, and 101 airmen. Cost figures for the overall operation are not available, but the cost of contributions by this activity to the National Intelligence Survey has approximated

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### Department of State

The State Department prepares no maps, but it cooperates as a collector of intelligence for maps, and, of course, is a user of maps.

### Central Intelligence Agency

The Cartography Section of the Central Intelligence Agency is located in the Geographic Area of the Office of Research and Reports. This office is an outgrowth of a former cartographic office in the Office of Strategic Services, which was handed to the State Department after World War II, and later was transferred to the Central Intelligence Agency. It produces a tremendous volume of custom-tailored maps for use in connection with the production of the National Intelligence Survey. A map library is maintained where maps of intelligence value, such as economic, ethnic, and linguistic maps, are available for study and use. Generally, the basic data for these maps and charts are derived from its own collection activities as well as those of the other Intelligence Advisory Committee agencies. The Central Intelligence Agency has rendered valuable assistance in the collection field in this respect, particularly in gathering information on the Soviet bloc. For example, when bridges, highways, railroads, industrial plants, or other man-made physical features of the landscape are relocated, the reports of the Central Intelligence Agency occasionally reflect these changes so that new maps will show the new locations.

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### Coordination

The intelligence community keeps abreast of map production for intelligence purposes in several ways. The first, most important, and best method is that of direct communication among the counterparts of all the agencies producing maps. When the agency develops a requirement for a map or chart, other agencies are checked for basic data, and where another agency has a responsibility for a particular contribution, that agency is called upon to produce its share.

Recently, CINCPAC placed a request on Army for maps of certain Pacific areas necessary for amphibious objectives of current war plans. Representatives of the Army (G-2), Navy (ONI), Army Map Service, and the Hydrographic Office met, assigned specific functions, and are now proceeding to produce the maps primarily from source materials on hand. Where additional data are required, they will be obtained either by civilian contract or through the Army, Navy, and Air Force facilities.

This same system prevails regardless of the problem, agencies, or countries involved, and is indicative of the high degree of cooperation among the groups. No ad hoc committees are required to wrestle with the problem. The agencies involved divide the work and produce the required document.

Another method of keeping all interested parties informed is by use of reading panels, discussed elsewhere, and the various libraries to which every group has access. Also, the services publish accession lists detailing maps produced and in process, and the various producers have status of production charts readily available to all who need to know. The Office of Chief of Engineers publishes a summary schedule of mapping activities. The Army Map Service publishes, in huge indexed volumes,

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reports which reflect the progress from planning to completion. The Central Intelligence Agency publishes quarterly a "status of projects" reflecting maps and reports disseminated by the Agency.

Progress reports, in general, show that there is a program for producing maps on a worldwide basis; that maps and charts - military, economic, and political - with worldwide coverage have been produced and are available. However, the long-range program now being followed must be continued in order to provide a more complete and comprehensive coverage. This program provides for a once-over coverage of all surface areas for which a requirement has been expressed. It originally was scheduled for completion by 1968, based on an annual expenditure of

25X1 . However, with the present budgeted figure of  25X1  
the completion date now has been estimated at 1985.

In general, it is contended that maps are urgently needed in time of war and must be produced in peacetime. More maps, better combat results, fewer casualties.

#### Research and Development

The worldwide mapping program necessarily includes research and development of new methods and equipment for better ground or position control, and for more facile use of the information collected. Some of the more important developments are:

HIRAN (Photograph and radar range-finding from high altitudes)

SHORAN (Shorter ranges)

RADIST (Distances between points by radio-plane and two ground stations)

Star Occultation

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